Streamlining Organizational Changes in S/4HANA

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SAP 2026 CONTROLLING FINANCIALS

What this session will cover

1. How Organizational Changes in Accounting protects financial data integrity
2. The end-to-end process: plan, simulate, activate, execute and complete
3. How master data and transfer postings flow across FI, CO, Asset Accounting and Revenue Accounting
4. Key prerequisites, dependencies and pitfalls, including document splitting and simulation extension ledgers
5. How SAP Fiori apps define, test and process organizational changes in real time

A profit-center change is never just a master-data exercise

BUSINESS DECISION

"Reassign selected products to Product Line B."

The organization changes in a meeting.

BECOMES

ACCOUNTING REALITY

Materials • orders • WBS elements • inventory • open items • assets • derivations • reporting continuity

Changing the profit center is the easy part. The difficult part is everything that already sits behind it.

Four business moves trigger most reorganizations

M&A

Combine acquired units and align responsibility reporting.

DIVESTITURE

Separate businesses, balances and accountability.

REALIGNMENT

Move products, regions or functions to new owners.

OPERATING MODEL

Shift from geography to product-line or segment management.

The trigger varies; the accounting requirement is controlled, date-effective realignment.

Manual reorganization creates predictable failure modes

01 Master data changes out of sequence

02 Balances and open items stay behind

03 **Segment derivation becomes inconsistent**

04 Closed periods block later corrections

05 Evidence is scattered across jobs and files

COMMON PITFALLS

- Missing splitting
- Wrong simulation extension ledger
- Closed periods
- Incomplete objects
- P&L assumptions

One governed Fiori flow connects design, simulation and execution

DEFINE	SIMULATE	ACTIVATE	PROCESS	COMPLETE
Scope + date	Preview entries	Lock design	Update + post	Control + close

F4567 • Manage Organizational Changes orchestrates the full lifecycle and preserves status history.

S/4HANA 2025 expands the reorganization envelope

PROFIT CENTER + SEGMENT

Split, combine or replace responsibility and external-reporting units.

ASSET ACCOUNTING

Update asset assignments and create relevant transfer postings.

REVENUE ACCOUNTING

Support performance obligations during organizational change.

OPERATIONAL OBJECTS

Expanded handling includes sales/service items and dependencies.

FIORI PROCESS + REPORTING

Create, simulate, execute and audit with connected apps.

Profit center and segment changes answer different reporting questions

BEFORE

PRODUCT LINE A

Profit Center: YB110
Segment: A
Products remaining in Line A

REASSIGN →

AFTER

PRODUCT LINE A — REMAINS

YB110
Segment A
Unchanged products

SELECTED PRODUCTS → LINE B

YB111
Segment B
Reassigned products

Design both dimensions together: profit center drives responsibility; segment supports external reporting.

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Five scenarios—one governed accounting response

1	**REORGANIZATION WITHIN SELECTED COMPANY CODES**	Coordinate legal-entity design separately; use Organizational Changes for eligible profit-center and segment assignments within selected company codes.
2	**COST CENTER / PROFIT CENTER**	Effective-date the assignment so dependent assets, orders and postings follow the governed derivation chain.
3	**SPLIT • COMBINE • REPLACE**	Reassign selected products from Product Line A (YB110 / Segment A) to Product Line B (YB111 / Segment B)—or combine and replace eligible units.
4	**SEGMENT REORGANIZATION**	Align external-reporting segments with profit-center design and validated document splitting.
5	**REVENUE ACCOUNTING**	Reassign eligible performance obligations and accrued/deferred revenue positions.

Running example: reassign selected products from YB110 to YB111—then trace objects, postings and evidence.

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Decide the accounting design before creating the change

1. Scope: company codes, ledgers, controlling areas
2. Change type: profit center, segment or coordinated
3. Document splitting characteristics and derivation
4. Simulation extension ledger + underlying standard ledger
5. Open-item transfer choice
6. Closed-period correction logic
7. Approval owners and cutover timing

Segment reorganization depends on reliable document splitting

WHY IT MATTERS

Document splitting supplies balanced reporting characteristics to relevant line items.

VALIDATE

Segment is active
Profit-center-to-segment derivation is consistent
Zero-balance and inheritance fit
Sample documents derive correctly

LIMIT

Organizational change cannot manufacture a complete segment foundation when document splitting is missing.

Test representative documents before the reorganization—not during cutover.

The simulation extension ledger is your rehearsal environment

STANDARD LEDGER

Underlying standard ledger
Typically leading • actual balances and postings

UNDERLIES

EXTENSION LEDGER

Eligible type: Line Items with Technical Numbers / Deletion Possible
Assigned to the underlying standard ledger

Ledger

Ld	Ledger Name	Leading	Ldgr Type	ExtLdgrTyp	Underlying Ledger	Valuation View
0L	Ledger 0L	☑	Standard Ledger			Legal Valuation
E1	Organizational Change Simulati	☐	Extension Ledger	Line items with technical numbers / deletion possible	0L	Legal Valuation

No ledger field exists on the organizational change: F4567 recognizes the eligible simulation extension ledger from ledger configuration.

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Configuration sets the guardrails for every change

1. Activate Organizational Changes
2. Configure simulation extension ledger
3. Assign transfer-posting document type
4. Configure correction-period logic
5. Set sales / purchasing selection windows

Also decide: authorization / governance • open-item transfer.

- Organizational Changes
  - Organizational Changes
  - Prerequisites to Transfer Fixed Asset Inventory
  - Prerequisites to Transfer Open Items
  - General Preparation Activities for Organizational Changes
    - General Preparation Activities for Organizational Changes
    - Activate Organizational Change Features
    - Assign Document Type for Transfer Postings
    - Assign Consolidation Transaction Types for Transfer Postings
    - Derive an Open Posting Period for Automatic Correction Postings
    - Create Simulation Ledger for Organizational Change
    - Check Configuration for Organizational Change
    - Activate Notifications for Organizational Changes
    - Change Message Control for Organizational Changes
  - Preparation Activities for Profit Center Reorganization
    - Preparation Activities for Profit Center Reorganization
    - Specify Periods for Sales Document Selection
    - Specify Periods for Purchasing Document Selection
    - Specify Events for Change Documents in Fixed Assets
  - Preparation Activities for Segment Reorganization
    - Preparation Activities for Segment Reorganization
    - Allow Segment Changes in Profit Centers
    - Specify Time-Dependent Fields for Profit Centers
    - Exclude G/L Accounts from Segment Reorganizations

Activation controls whether F4567 can create executable changes

ENABLE

Turn on Organizational Changes in Accounting for the relevant scope.

CHOOSE

Decide whether open items transfer with master-data changes.

GOVERN

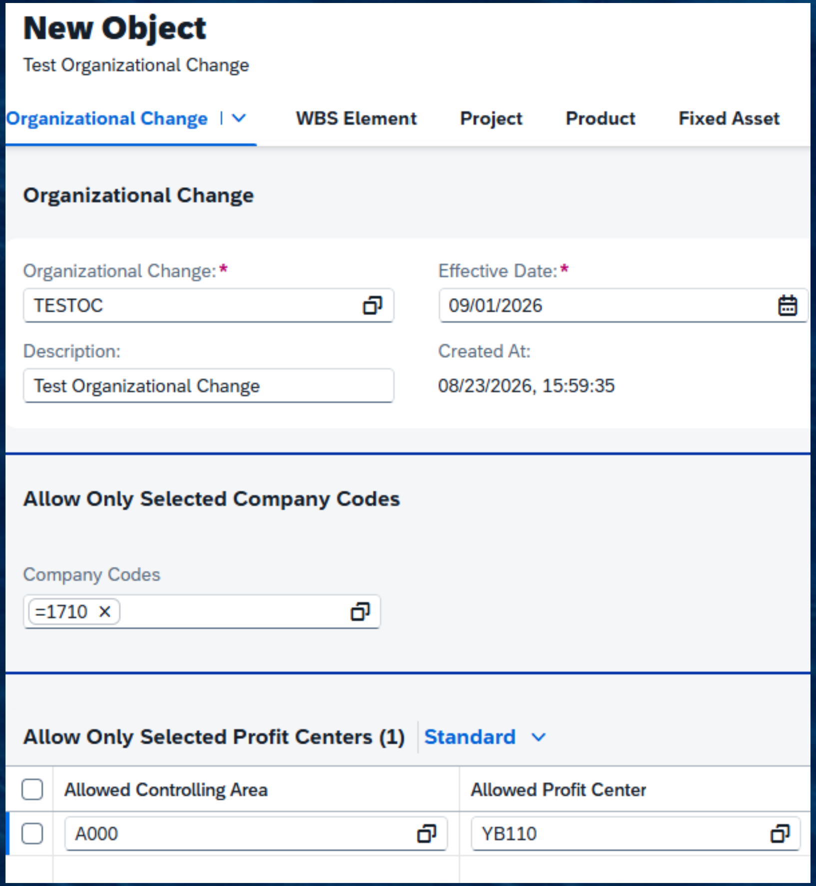
Align roles for define, activate, process and complete.

Consultant check: test the feature switch and authorizations before the design workshop.

The effective date anchors derivation, selection and transfers

SAP FIORI

F4567 • Create Organizational Change



SCENARIO SETUP

Effective date: 1 September 2026

Before: Product Line A • YB110 • Segment A

After: remaining products stay YB110 / Segment A; selected products move to Product Line B • YB111 • Segment B

Selection: approved product list / Excel import.

The change follows operational objects—not just G/L balances

MASTER + LOGISTICS

Materials / plant • cost centers • internal and maintenance orders

SALES + PROCUREMENT

Sales orders/items • purchase orders • GR/IR • AP/AR open items

MANUFACTURING

Production/process orders • cost collectors • inventory • WIP

ASSET + REVENUE

Fixed assets and postings • Revenue Accounting performance obligations

Supported root and dependent objects vary by scenario and configuration.

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The source object drives a chain of dependent assignments

SOURCE

Controlling area + PC / segment

OPERATIONS

Material • cost object • WBS • network

TRANSACTIONS

PO • GR/IR • SO item • AP/AR invoice

FINANCIAL

Inventory • asset • open item • transfer posting

Activation finds dependencies; processing applies time-dependent reassignment and postings.

The Excel import assigns selected products to YB111

Material	Plant	New Profit Center
FG111	1710	YB111
FG111_A	1710	YB111
FG111_B	1710	YB111
FG111_C	1710	YB111
FG126	1710	YB111
FG126_B	1710	YB111
FG129	1710	YB111
FG130	1710	YB111
FG1_CP	1710	YB111
FG1_DS	1710	YB111

Products (10) Standard

Row Number	Product	Plant	Old Profit Center	New Profit Center	Message Type	Message Description
2	FG111 (FIN111, MTS-DI, PD)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
3	FG111_A (FIN111_A,MTS-DI,PD)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
4	FG111_B (FIN111_B, MTS-DI, PD)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
5	FG111_C (FIN111_C, MTS-DI, PD)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
6	FG126 (FIN126,MTS-DI,PD,SerialNo)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
7	FG126_B (FIN126,MTS-DI,PD,SerialNo)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
8	FG129 (FIN129,MTS-DI,PD,QM)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
9	FG130 (FIN130,MTS-DI,PD,PP)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
10	FG1_CP (CP-FG1, Shaft with Rolling Bearings)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	
11	FG1_DS (FG1-DS, Shaft with Rolling Bearings)	1710 (Plant 1 US)	YB110 (Product A)	YB111 (Product B)	Success	

DOWNLOAD Standard template

MAP Selected product • plant • YB111 • Segment B

VALIDATE Duplicates • intervals • dependencies

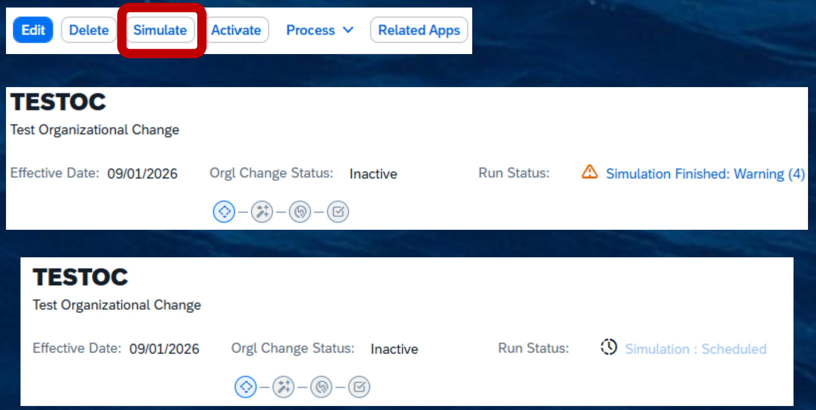
IMPORT Resolve messages

CONTROL Archive approved source file

Simulation answers: “What would post if we executed today?”

SAP FIORI

F4567 • Simulate



Log Details Standard

Type	Message
Success	Simulation started for TESTOC.
Warning	There are unenriched open items for organizational change TESTOC.
Warning	Last balance carryforward for 0L/1710 in FY 2025, but should be in 2026.
Warning	Last balance carryforward for 2L/1710 in FY 2025, but should be in 2026.
Warning	No simulation ledger exists for ledger 2L and company code 1710.
Success	Transfer postings were created for ledger E1.
Success	Simulation run for orgl change TESTOC was finished with warnings.

1 Select Simulate

2 Monitor “Simulation: Scheduled”

3 Wait for “Simulation: Finished”

4 Open financial data and application logs

5 Correct and rerun as needed

Simulation creates technical postings in the extension ledger—and exposes configuration or data-readiness issues to resolve before activation.

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A clean status is not enough—reconcile the simulated result

Profit Center	G/L Account		Segment		ansfer Posting by Orgl Cha...	Correction Posting by Orgl Ch...	Transfer Posting by Orgl Chan...	Correction Posting by Orgl Ch...
Product A	13200000	Inventory WIP	1000_A	Segment A	$ -1,213.03	$ 0.00	$ -1,213.03	$ 0.00
			Total		**$ -1,213.03**	**$ 0.00**	**$ -1,213.03**	**$ 0.00**
	13400000	Inventory FinishedGd	1000_A	Segment A	$ -186,200.69	$ 0.00	$ -186,200.69	$ 0.00
			Total		**$ -186,200.69**	**$ 0.00**	**$ -186,200.69**	**$ 0.00**
	21120000	GR/IR	1000_A	Segment A	$ -20.00	$ 0.00	$ -20.00	$ 0.00
			Total		**$ -20.00**	**$ 0.00**	**$ -20.00**	**$ 0.00**
	24098600	Other Reserves	1000_A	Segment A	$ 2,506.72	$ 0.00	$ 2,506.72	$ 0.00
			Total		**$ 2,506.72**	**$ 0.00**	**$ 2,506.72**	**$ 0.00**
	Total				**$ -184,927.00**	**$ 0.00**	**$ -184,927.00**	**$ 0.00**
Product B	13200000	Inventory WIP	1000_B	Segment B	$ 1,213.03	$ 0.00	$ 1,213.03	$ 0.00
			Total		**$ 1,213.03**	**$ 0.00**	**$ 1,213.03**	**$ 0.00**
	13400000	Inventory FinishedGd	1000_B	Segment B	$ 186,200.69	$ 0.00	$ 186,200.69	$ 0.00
			Total		**$ 186,200.69**	**$ 0.00**	**$ 186,200.69**	**$ 0.00**
	21120000	GR/IR	1000_B	Segment B	$ 20.00	$ 0.00	$ 20.00	$ 0.00
			Total		**$ 20.00**	**$ 0.00**	**$ 20.00**	**$ 0.00**
	24098600	Other Reserves	1000_B	Segment B	$ -2,506.72	$ 0.00	$ -2,506.72	$ 0.00
			Total		**$ -2,506.72**	**$ 0.00**	**$ -2,506.72**	**$ 0.00**
	Total				**$ 184,927.00**	**$ 0.00**	**$ 184,927.00**	**$ 0.00**
Grand Total					**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**

- Source and target PC / segment
- Ledger, company code and currency
- Open-item detail vs. summarized balances
- Asset, inventory and WIP positions
- GR/IR, customer and supplier items
- Technical document numbers

Sign off scenario totals before activation.

Activation is the governance gate: the design is now locked

ACTIVATION DOES

Determine dependent objects
Include newly created dependencies
Prepare time-dependent derivation
Preserve the approved scope

LOCK-IN CHECKLIST

Simulation reconciled
Object owners approved
Effective date confirmed
Open periods ready
Cutover communication sent

After activation, assignments and entries can no longer be freely changed or deleted.

Processing turns organizational design into accounting reality

SAP FIORI

F4567 • Process / Process and Complete

PROCESSING

- Updates time-dependent master data
- Applies PC and segment reassignment
- Posts balance-sheet transfers
- Handles Asset Accounting dependencies
- Processes eligible Revenue Accounting objects
- Writes detailed status and logs

S/4HANA 2025 supports a combined process-and-complete action where appropriate.

Processing replaces the rehearsal with real standard-ledger postings

SIMULATION

Technical documents

PROCESS

Update + transfer

STANDARD LEDGERS

Actual entries

CLEANUP

Simulation deleted

Document type, change ID and reports connect each entry to the approved reorganization.

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Balance-sheet positions move; historical P&L does not

ELIGIBLE EXAMPLES

Inventory • fixed assets • deferred/accrued revenue • WIP • open AP/AR • open GR/IR

TRANSFER DETAIL

Open-item-managed accounts: item by item

Non-OIM accounts: balance-carryforward level

P&L accounts: not transferred from old to new profit center

Plan comparative reporting and stakeholder communication around the P&L limitation.

One transfer, two accounting patterns

ILLUSTRATIVE POSTING EXAMPLE

Assigned document type: dedicated OC (or standard SA if that is the configured choice)

POSITION	FROM → TO	POSTING LOGIC	DOC
Inventory	PC-YB110 / S-A → PC-YB111 / S-B	Balance transfer at the effective date	OC
Supplier open item	PC-YB110 / S-A → PC-YB111 / S-B	Organizational assignment is transferred through item-level reclassification; the underlying business open item is not recreated.	OC
Historical P&L	PC-YB110 / S-A → –	No transfer for historical periods	–

Open-item-managed accounts transfer item by item; other eligible balance-sheet positions transfer at balance level.

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Completion is the final control gate—not an administrative click

- ✓ Processing finished without errors
- ✓ Dependent objects are complete
- ✓ Required transfers exist
- ✓ Assignments are effective
- ✓ Logs and exceptions are archived

STATUS COMPLETED

No further changes can be made.

Use separate Process and Complete steps when governance requires post-processing review.

Three report views answer three audit questions

MASTER DATA REPORT

What objects and dependent assignments changed?

FINANCIAL DATA REPORT

What simulated or actual entries were created?

APPLICATION LOGS

What happened during simulation, activation, processing and completion?

F4567 status history ties reports to lifecycle gates, users and timestamps.

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LIVE DEMO

Live Demo: Reassigning Selected Products from YB110 to YB111

BEFORE
Product Line A
YB110 • Segment A

REASSIGN

REMAIN IN PRODUCT LINE A
YB110 • Segment A

SELECTED → PRODUCT LINE B
YB111 • Segment B

FINANCE PROOF
What changed?
What posted?
What evidence do I have?
Can I reconcile it?

SIMULATE • ACTIVATE • PROCESS • COMPLETE

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Eight controls keep the cutover credible

1 **DO NOT SKIP SIMULATION**

Treat simulation as a required project control, even where the system permits execution without it.

2 **VALIDATE DOCUMENT SPLITTING**

Test representative FI, CO and Asset Accounting postings before cutover.

3 **RECONCILE BEFORE ACTIVATION**

Sign off source-to-target totals, currencies, ledgers and exceptions.

4 **CONFIRM PERIOD TIMING**

Complete required Asset Accounting close and test correction-period logic.

5 **SEPARATE PROCESS + COMPLETE**

Keep a review gate when governance requires evidence before closure.

6 **ARCHIVE THE PROOF SET**

Retain approved imports, reports, application logs and status history.

7 **EXPLAIN THE P&L LIMIT**

Historical P&L is not transferred; plan comparative reporting accordingly.

8 **LOCK OWNERS + SCOPE**

Activation freezes the design; communicate ownership and cutover timing first.

Bottom line: configuration, timing, reconciliation and evidence are accounting controls—not merely technical details.

Five Takeaways

1. Treat organizational restructuring as an accounting transformation—not just a master-data change.
2. Design profit center, segment, document-splitting, ledger and period rules before execution.
3. Use the full control sequence: plan, simulate, activate, process and complete.
4. Coordinate master data and transfer postings across FI, CO, Asset and Revenue Accounting.
5. Reconcile reports, resolve exceptions and archive evidence before the change is locked.

Resources

- **SAP Help — Organizational Changes in Accounting**
- F4567 — Manage Organizational Changes
- F5487 — Import Objects for Organizational Change
- Organizational Change Reports — Master Data, Financial Data, Application Logs
- SAP Learning — Detailing Profit Center Reorganization
- SAP Note 3638008 — Object Dependency Overview

Questions & Answers

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