Advanced Costing and Profitability Modeling in ERP Training Course

Professional Development Training Course Outline

Category	Enterprise Resource Planning (ERP)	**Duration**	5 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

In today's dynamic business landscape, achieving sustainable competitive advantage hinges on precision in financial performance measurement. Traditional costing methods often fail to keep pace with the complexities of modern global operations, particularly in environments leveraging Enterprise Resource Planning (ERP) systems. Advanced Costing and Profitability Modeling in ERP Training Course is meticulously designed to equip finance, controlling, and operational professionals with the expertise to transform raw transactional data within their ERP into actionable strategic insights. Participants will master cutting-edge costing methodologies like Activity-Based Costing (ABC) and Marginal Costing, moving beyond basic reporting to build sophisticated integrated profitability models.

The cornerstone of modern financial strategy is real-time decision-making supported by robust, granular data. This course focuses on unlocking the full potential of an ERP's Controlling (CO) and Finance (FI) modules to drive superior Profitability Analysis (PA) and Cost Management. By learning to configure and utilize advanced allocation cycles, transfer pricing, and predictive analytics within the ERP framework, attendees will gain the ability to accurately calculate Customer, Product, and Channel Profitability. This transformation from mere cost tracking to strategic profitability modeling is crucial for optimizing resource allocation, rationalizing product portfolios, and ultimately maximizing Shareholder Value.

Programme Curriculum

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Course Objectives

Upon completion of this course, participants will be able to:

1. Design and implement Activity-Based Costing (ABC) models within the ERP.
2. Master Real-Time Data Integration between ERP modules
3. Execute advanced Product Costing for complex manufacturing/service environments.
4. Develop Granular Profitability Analysis structures.
5. Configure and manage Advanced Cost Allocation Cycles
6. Apply Standard Costing and variance analysis for performance monitoring.
7. Model and report Customer and Channel Profitability for strategic segmentation.
8. Implement Internal Transfer Pricing policies for intercompany transactions.
9. Leverage Predictive Analytics within the ERP for Cost Forecasting.
10. Integrate Budgeting and Planning with advanced cost models
11. Optimize ERP Master Data for accurate costing
12. Conduct What-If Scenario Modeling for business strategy
13. Ensure Data Governance and Auditability for financial compliance (Compliance).

Target Audience

1. Financial Controllers and CFOs
2. Cost Accountants and Costing Analysts
3. ERP Finance (FI/CO) Consultants and Super Users
4. FP&A (Financial Planning & Analysis) Specialists
5. Business Analysts focused on process optimization
6. Supply Chain Managers and Operations Directors
7. IT/System Owners responsible for ERP Finance modules
8. Internal Auditors focused on cost and profitability controls

Training Modules

1. ERP Costing Fundamentals & Master Data Optimization

- Review of core ERP cost elements and their integration with the General Ledger.
- Establishing robust Cost Center and Profit Center hierarchies and standards.
- Configuring Activity Types and rates for accurate resource consumption tracking.
- Case Study: Redesigning Cost Center structure to align with a Shared Services model.
- Data Validation and Real-Time Data Flow auditing across FI-CO.

2. Advanced Product Costing & Standard Cost Calculation

- Detailed breakdown of Cost of Goods Manufactured (COGM) and COGS.
- Mastering the configuration of BOM (Bill of Materials) and Routing for costing.
- Executing and analyzing the Standard Cost Run and period-end closing activities.
- Case Study: Calculating the total product cost for a multi-stage, Assemble-to-Order product.
- Configuration of Overhead Allocation methods

3. Activity-Based Costing (ABC) in the ERP

- Principles of ABC: identifying activities, cost pools, and cost drivers.
- Modeling complex, non-volume-based costs in the ERP
- Developing and implementing the ABC Allocation Cycle for overhead distribution.
- Case Study: Applying ABC to service-related costs for accurate service pricing.
- Integrating ABC results into Profitability Analysis

4. Granular Profitability Analysis (CO-PA/Margin Analysis)

- Designing the Operating Concern structure and defining Profitability Segments.
- Integrating Sales & Distribution (SD) data with CO-PA for revenue analysis.
- Configuring Valuation techniques for transferring costs/revenues to CO-PA.
- Case Study: Analyzing the Net Profit Margin by Customer, Product Group, and Sales Channel.
- Leveraging Margin Analysis in the S/4HANA architecture for real-time reporting.

5. Strategic Customer & Channel Profitability Modeling

- Methodologies for allocating Selling and Marketing Expenses to customers.
- Modeling Customer Lifetime Value (CLV) using ERP data and cost insights.
- Analyzing the true cost-to-serve for different Distribution Channels
- Case Study: Identifying the bottom 10% unprofitable customers and developing a rationalization strategy.
- Developing custom Profitability Reports and Dashboards for sales leadership.

6. Variance Analysis and Performance Management

- Detailed analysis of Production Variances
- Configuring automated variance calculation and settlement processes in the ERP.
- Linking cost variances to operational drivers for Continuous Improvement (CI) initiatives.
- Case Study: Investigating a significant material usage variance and proposing a process fix.
- Developing a Balanced Scorecard framework using ERP cost and profit KPIs.

7. Transfer Pricing and Intercompany Profitability

- Understanding the need for Legal Entity and Management Reporting views of profit.
- Configuring Intercompany Billing and Transfer Price methods
- Implementing Splitting and Valuation methods for inventory and internal services.

- Case Study: Modeling Tax-Compliant transfer prices for goods sold between two international subsidiaries.
- Reconciliation of Segment Reporting using Profit Center data.

8. Cost Forecasting, Budgeting, and Planning (Integrated Planning)

- Utilizing the ERP's planning tools for zero-based budgeting of costs.
- Developing Driver-Based Budgeting models for dynamic cost planning.
- Integrating cost and revenue plans from operational modules
- Case Study: Building a Rolling Forecast model for the upcoming 12 months, integrating sales and production costs.
- Simulating and analyzing What-If Scenarios

Training Methodology

This course employs a participatory and hands-on approach to ensure practical learning, including:

- Interactive lectures and presentations.
- Group discussions and brainstorming sessions.
- Hands-on exercises using real-world datasets.
- Role-playing and scenario-based simulations.
- Analysis of case studies to bridge theory and practice.
- Peer-to-peer learning and networking.
- Expert-led Q&A sessions.
- Continuous feedback and personalized guidance.

Register as a group from 3 participants for a Discount

Send us an email: info@fineskilltrainingcenter.org or call +254769199797

Certification

Upon successful completion of this training, participants will be issued with a globally- recognized certificate.

Tailor-Made Course

We also offer tailor-made courses based on your needs.

Key Notes

a. The participant must be conversant with English.

b. Upon completion of training the participant will be issued with an Authorized Training Certificate

c. Course duration is flexible and the contents can be modified to fit any number of days.

d. The course fee includes facilitation training materials, 2 coffee breaks, buffet lunch and A Certificate upon successful completion of Training.

e. One-year post-training support Consultation and Coaching provided after the course.

f. Payment should be done at least a week before commence of the training, to Fineskill Training Center account, as indicated in the invoice so as to enable us prepare better for you.

Upcoming Scheduled Sessions

Start Date	End Date	Location	Price
23 Nov 2026	27 Nov 2026	Online	$1,000
23 Nov 2026	27 Nov 2026	Physical	$1,500
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$4,500
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$6,000

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