Lab Guide

Providing Cost Transparency into IT Spend

IT Financial Mgmt. 101

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Default Login / Password:

admin / Knowledge16

itil / Knowledge16

employee / Knowledge16

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Lab Goal

The Cost Model in Financial Management works with Dimension tables rather than working directly with the ServiceNow tables that hold the supporting data. This allows you to filter the data you need for the Cost Model as appropriate to desired outcomes. Since you are allocating to specific business services, you need to have a dimension table for this.

Lab 1.0 Configure Dimensions

Configure Dimension Business Service

The Dimension Business Service table already exists, but we need to repopulate it with business services that to use for the lab.

1. Navigate to **IT Data Mart > Dimensions**.
2. Find and open the Dimension Table Definition for **Business Service**.
3. Next to Dimension condition, add a filter as follows:

   Version is K16

   Five records should match the condition.
4. Right-click the **Form Header** and click **Save**.
5. Under Related Links, click **Populate dimension table**.
6. There should be 5 business services.

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Configure Dimension IT Shared Service

The Dimension IT Shared Service table already exists, but you need to repopulate it with IT Shared Services to use for the lab.

1. Navigate to **IT Data Mart > Dimensions**.
2. Find and open the Dimension Table Definition for **IT Shared Service**.
3. Next to Dimension condition, add a filter as follows:

   Description is K16



4. Right-click the **Form Header** and click **Save**.
5. Under Related Links, click **Populate dimension table**.
6. There should be 6 IT Shared Services.

Configure Dimension Department

The Dimension Department table already exists, but currently contains all the Departments. You only want to use the ones that have the description **K16**. To do this, set the filter condition, and repopulate the Dimension Department table.

1. Navigate to **IT Data Mart > Dimensions**.
2. Find and open the Dimension Table Definition for **Department**.
3. Next to Dimension condition, add a filter as follows:

   Description is K16



4. Right-click the **Form Header** and click **Save**.
5. Under Related Links, click **Populate dimension table**.

   There should be 4 Departments.

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Lab Goal

The first step to working with financial data in ServiceNow is to get the data into ServiceNow. This is done with the standard System Import Set process. Once the appropriate Import Set setup and transforms are created, this process flows pretty smoothly, but some work needs to be done first.

Lab 2.0
Load Staged GL Data

Investigate the Provided GL Data

Before beginning the import, familiarize yourself with the data to import. Identify fields that directly match the fields in the target Staged Data table. Identify which fields might need some adjustment to work properly. Make note of all the date fields to ensure you configure the import properly to handle date formats. Determine if any fields should be set as a single value as part of the import. Remember that the Staged Data should be as close to an exact match as possible from the General Ledger.

1. Open the **K16_Sample_GL.csv** file provided.

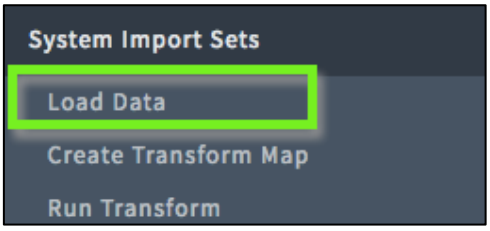
2. Identify information as follows:

   What do each of the columns represent?
   What information do you need to include in the import?
   Do you have the required fields: Account number, Amount, Posting date?
   What column represents the Amount?
   What date fields exist in the data?

Load GL Data

After familiarizing yourself with the data, load it into ServiceNow.

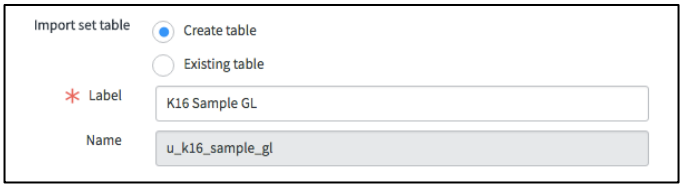
1. Navigate to **System Import Sets > Load Data**.



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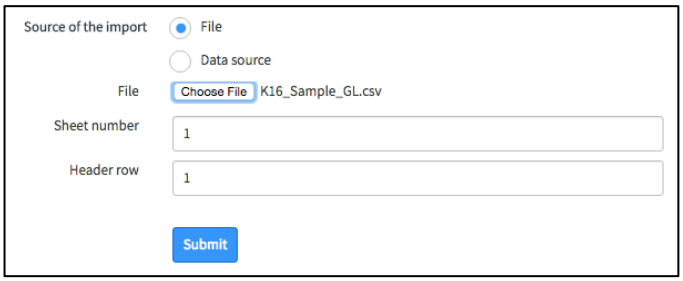
2. For **Import set table**, set options as follows:

   Create table
   Label: **K16 Sample GL**



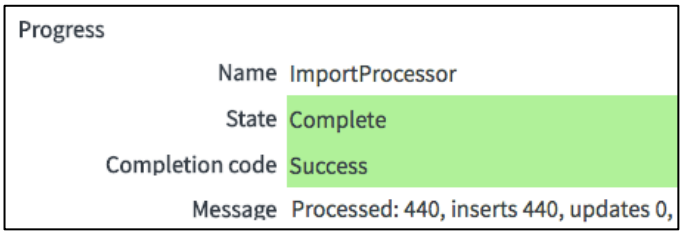
   Note: The table **Name** auto-populates as u_k16_sample_gl.

3. For the **Source of the import**, choose **File** and choose the **K16_Sample_GL.csv** file.



4. Click **Submit**.

5. Wait for the load to complete and you should get a progress report with 'Success'.

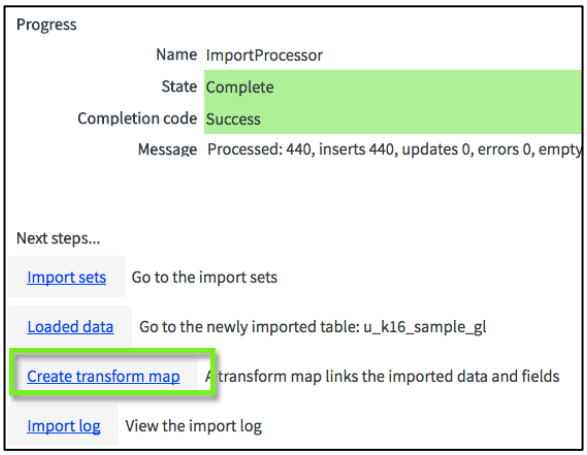


Create Transform Map

At its simplest, a Transform Map matches fields from the loaded source data to fields in the target table. This works for most of the fields. Create the map and create these matches.

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1. Under Next steps, click **Create transform map**.



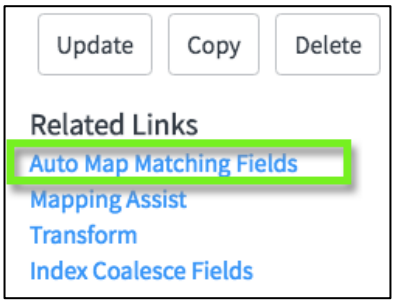
2. Complete the form as follows:

   Name: **K16 General Ledger Transform**
   Source table: **K16 Sample GL [u_k16_sample_gl]**
   Target table: **General Ledger Staged Data [itfm_gl_data_staged]**

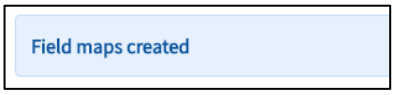


3. Click the form header menu and **Save**.

4. Under Related Links, click **Auto Map Matching Fields**.



5. You should get the message **Field maps created**.



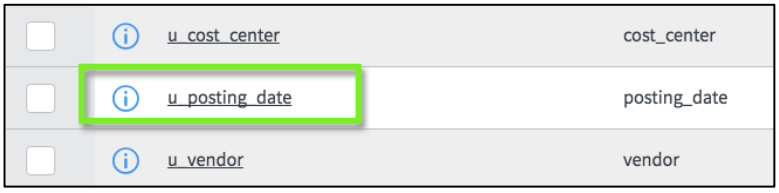
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6. Click **Save**.

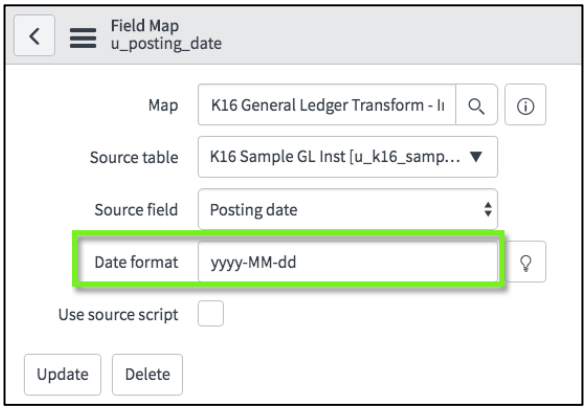
Update the Date Format

Date fields are sensitive to the format of the data provided. If this information does not match, the import of date information fails.

1. If you are not already in the Transform Map record, navigate to **System Import Sets > Administration > Transform Maps**.
2. Find and open **K16 General Ledger Transform**.
3. In the **Field Maps** related list, open the Source field **u_posting_date**.



4. Set the Date format to **yyyy-MM-dd**.



5. Click **Update**.

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Transform Data

All the data is now configured in the Transform Map. Run the transform and verify the data.

1. Under Related Links, click **Transform**.
2. After the transformation completes, navigate to **Cost Transparency > General Ledger > Staged Expenses**.
3. Filter by **Created on Today**. You should have 440 records.



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Lab Goal

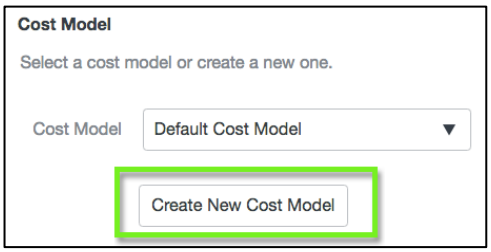
The first step in the Workbench process is to identify some base information for the Workbench session, such as identification of the Fiscal Period for which you want to groom the data and the cost model hierarchy for your analysis.

Lab 3.0 Workbench Data Definition

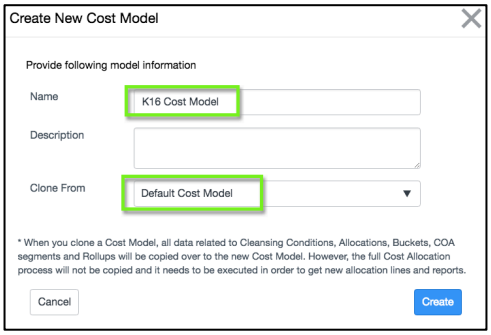
Define the Details for the Workbench Session

Identify details for the Workbench session to groom the data for FY15: Q1. This includes the creation of the Cost Model identified previously.

1. Navigate to **Cost Transparency > Workbench**.
2. On the **Workbench** tab > **Data Definition > Cost Model**, click **Create New Cost Model**.



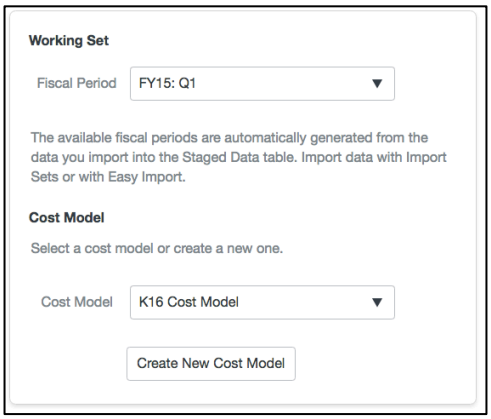
3. In **Create New Cost Model**, enter the following fields:
   Name: **K16 Cost Model**
   Clone From: select **Default Cost Model**



4. Click **Create**.

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5. Under **Working Set**, set the Fiscal Period to **FY15: Q1**.



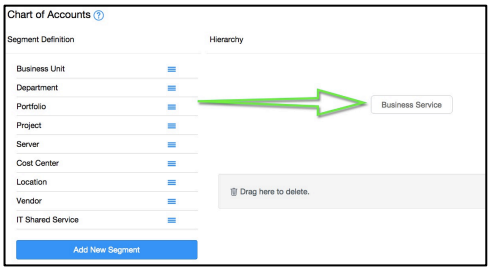
Set Up the Chart of Accounts Hierarchy

1. Under Chart of Accounts, click **Edit**.

2. Drag **Business Unit** at the top of the current hierarchy over the box that says **Drag here to delete**.

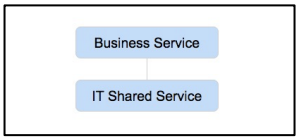


3. From the Segment Definition, drag **Business Service** over the text **Create a new hierarchy** by dragging elements from the list here.

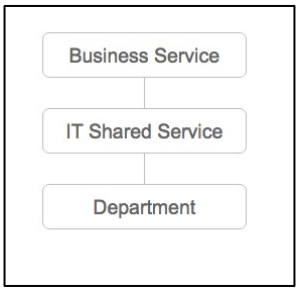


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4. Drag **IT Shared Service** over **Business Service** in the new hierarchy. When Business Service turns blue, let go to create the hierarchy.



5. Drag **Department** over **IT Shared Service**.



6. Click **Save Changes**. Leave this window open. The next lab begins here.

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Lab Goal

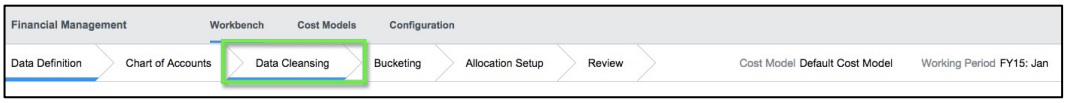
The next step in the Workbench process is data cleansing. Even when you only have a single source, you may have discrepancies in your data that you want to clean, such as different spellings for a company name. To ensure accurate reports of your financial data, you use this step in the Workbench process to create rules for cleansing.

Lab 4.0 Workbench Data Cleansing

Cleanse the Staged Data

Some vendors are listed in the staged data in multiple ways or perhaps incorrectly. You need to fix this.

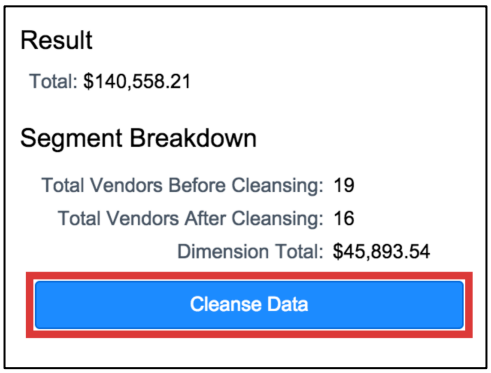
1. In the Financial Management Workbench, click the **Data Cleansing** chevron (make sure to start in FY15: Jan in **Data Definition**).



2. View the data. What vendors do you think should be merged or corrected?
3. Drag **CA Tech** over **CA Technologies** to merge it.
4. What is the Merge Count for **CA Technologies**?
5. What is the Mapped to value for **"""MediaPlatform,**?
6. Double-click **"""MediaPlatform,** and set the new value to **MediaPlatform**.
7. Find other vendor names you would like to cleanse or merge.

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8. Click **Cleanse Data**.



View the Cleansing Rules

The Workbench provides the easiest way to create and manage cleansing rules, but you may want to see what rules you have created.

1. In the main ServiceNow window, navigate to **Cost Transparency > Cost Model > Cleansing Conditions**.

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Lab Goal

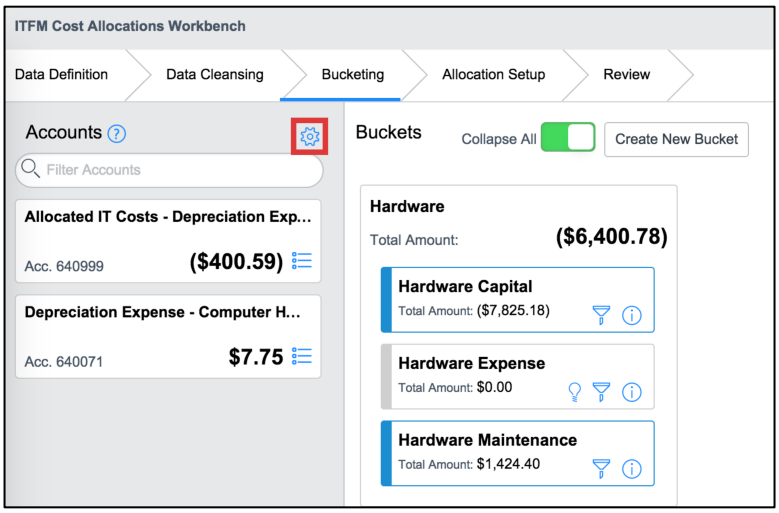
Some bucketing rules have already been applied to the imported data based on the demo data. First you need to clear that out and then you can categorize the accounts for the working period.

Lab 5.0 Workbench Bucketing

Uncategorize Data

You want to start the bucketing process from the beginning. This includes the removal of all advanced conditions. You also want to see all Accounts in the list, even if they have already been dropped in a bucket.

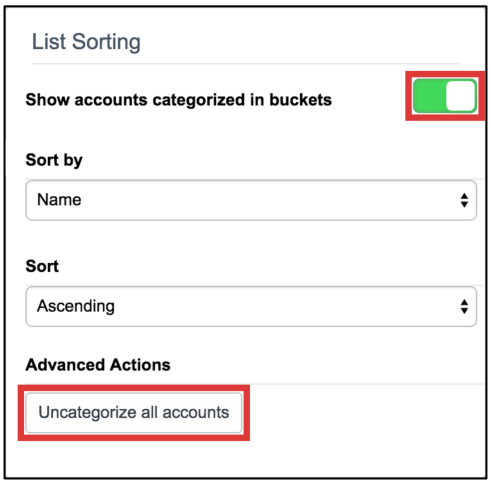
1. In the Financial Management Workbench, click the **Bucketing** chevron.
2. Click the **gear icon** next to **Accounts**.



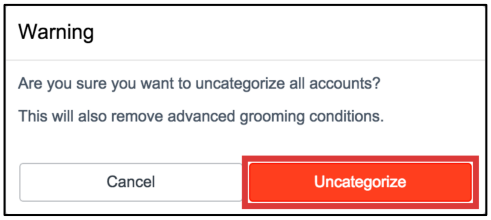
3. Select the option to **Show** accounts categorized in buckets.

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4. Click **Uncategorize all accounts**.



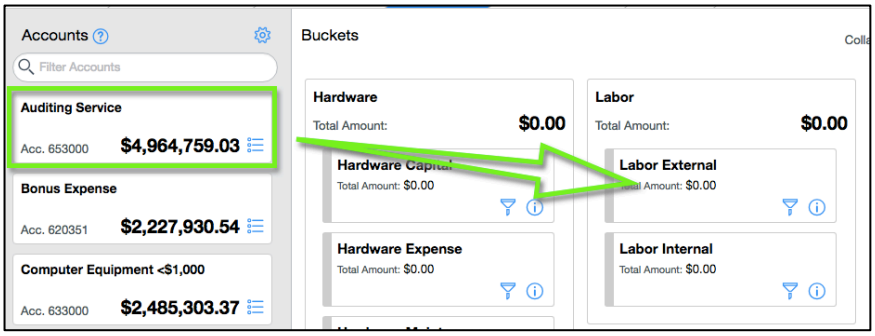
5. Read the Warning message and click **Uncategorize**.



Manually Bucket Accounts

One way to bucket accounts is to drag them onto the appropriate bucket.

1. From Accounts, drag **Auditing Service** over **Labor > Labor External**.



2. From Accounts, drag **Bonus Expense** over **Labor > Labor Internal**.

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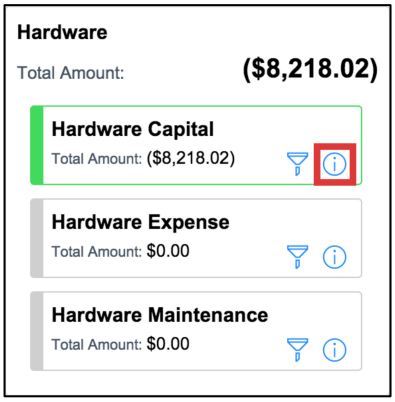
3. Repeat the process to bucket accounts as follows:

   Computer Equipment <$1,000 to Hardware > Hardware Capital
   Computer Hardware to **Hardware > Hardware Capital**
   Computer Software to **Software > Software License**
   Data Center Hosting to **Services > Services Cloud**
   Disposal/Sale Fixed Assets Proceeds to **Assets > Other Assets**
   Hardware Depreciation to **Hardware > Hardware Capital**

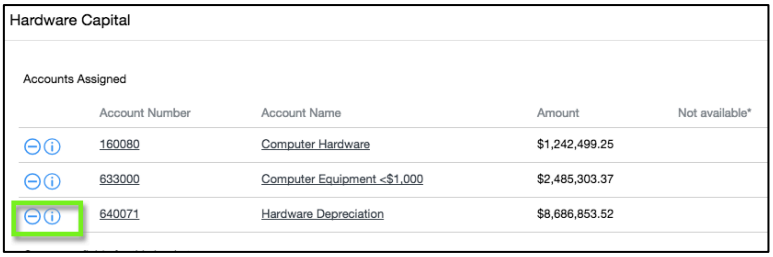
4. For the remaining accounts, assign them to buckets as you see fit.
   Remove an Account from a Bucket

If you accidentally add an account to the wrong bucket or its categorization changes, you may need to remove it. You have been informed that the Depreciation expenses you put in the Hardware Capital bucket should have been placed in Hardware Expense instead.

1. Under **Hardware > Hardware Capital**, click the **reference** icon.



2. Click the **dash symbol (–)** for the depreciation expenses.



3. Click **Close**.

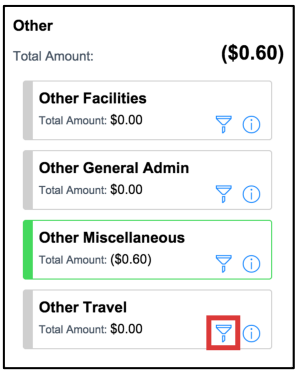
4. Drag the **Hardware Depreciation** account to the **Hardware > Hardware Expense** bucket.

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Bucket Accounts with Conditions

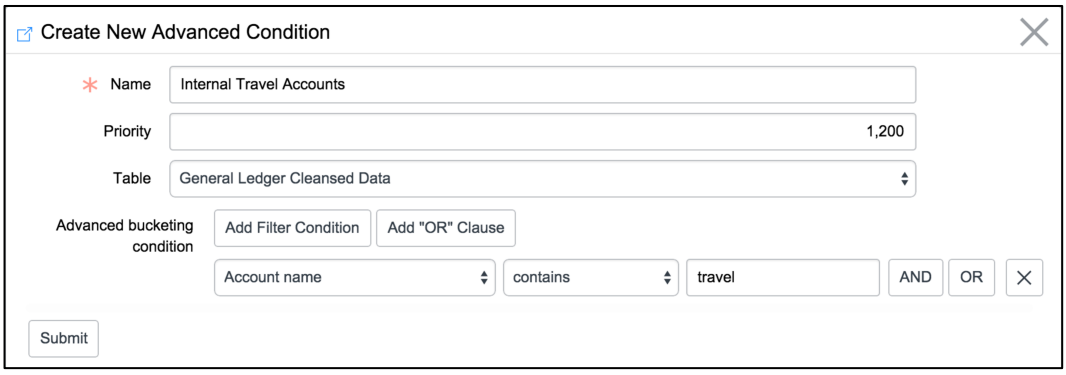
Another method to bucket accounts is through the use of conditions. This is useful when you can use specific criteria to identify accounts that should be in a particular bucket, perhaps through the Account name or number.

1. Under the **Other > Other Travel** bucket, click the **filter** icon.



2. Complete the form as follows:

   Name: **Internal Travel Accounts**
   Priority: **1,200**
   Advanced bucketing condition:
   Account name | contains | travel



3. Click **Submit**.

4. Verify all accounts have been bucketed.

5. Click **Run Bucketing**.

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Lab Goal

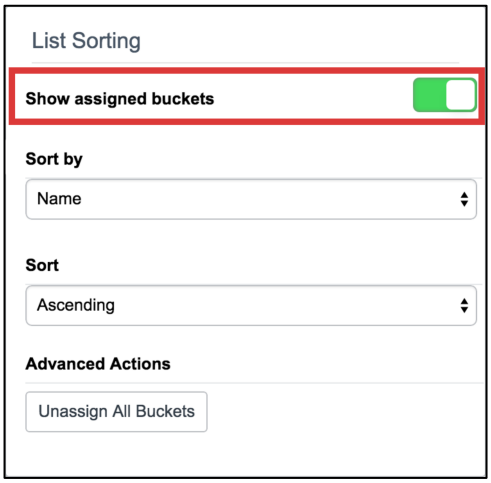
The final step in the Workbench process is to allocate the buckets to the Cost Model identified in the Data Definition. You need to have relationships defined between the different levels in the Cost Model to see the costs roll up through the different layers. Those relationships can be reused once they are identified, which leaves allocation to be performed in future runs of the Workbench.

Lab 6.0 Workbench Allocation Setup

Unassign Bucket Data

Start the allocation process from the beginning. You want to see all Buckets in the list, even if they have already been allocated.

1. In the ITFM Cost Allocations Workbench, click the **Allocation Setup** chevron.
2. Click the **gear icon** next to Allocation Setup.
3. Select the option to **Show assigned buckets**.



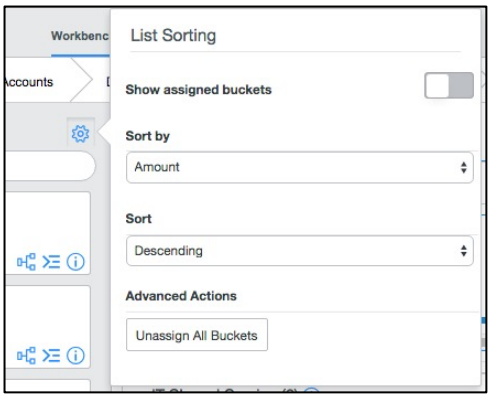
4. Click **Unassign All Buckets**.
5. Read the Warning message and click **Unallocate**.

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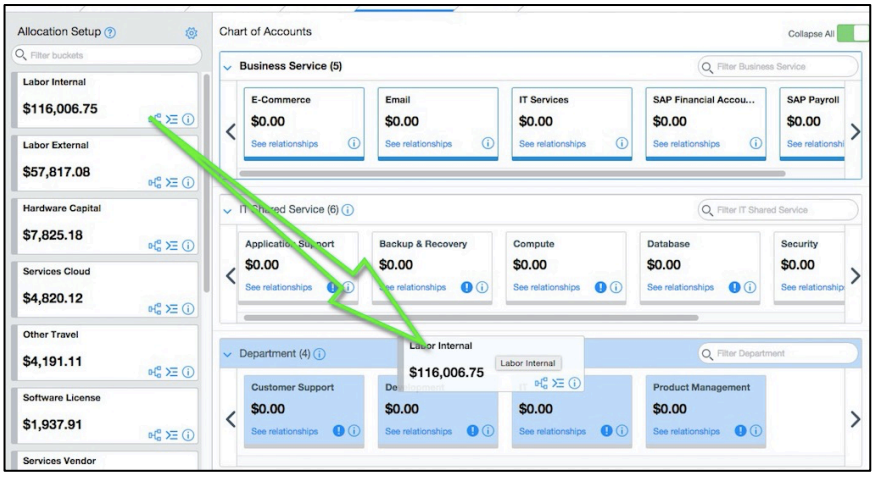
Allocate Internal Labor by Head Count

The first step is starting to assign the buckets to layers of the Cost Model or Chart of Accounts.

1. Click the **gear** icon to bring up **List Sorting**.
2. Sort by **Amount, Descending**.



3. Take **Labor Internal** and drag it over the header bar on the Department segment.



4. A dialog opens for **Create Allocation Rule**. Here you can specify Equal, Manual, or Weighted. Select **Allocation Method Weighted**.
5. Out-of-the-box, there is an allocation metric for allocating costs against head count within a department, **Department by Head Count**.

   Click **Create**. You have now allocated internal labor by headcount in the departments.

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Allocate External Labor by Bucket Split

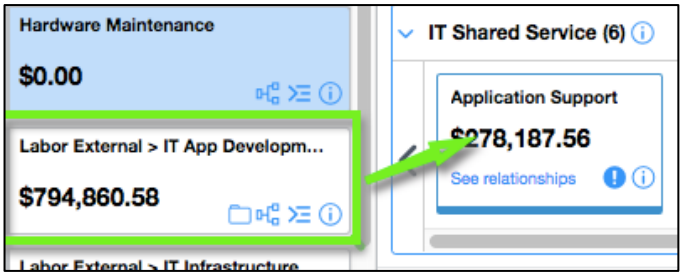
In certain cases, a bucket might need to be split in order to allocate to different accounts or segments in the Chart of Accounts hierarchy.

1. Click on the icon in **Labor External**.
2. In Split Labor External, split by **Cost Center**.
3. Click **Split Bucket**.
4. Under **Allocation Setup**, in the Filter box, type **External**. This displays the new split buckets you created.
5. Allocate the buckets as follows:

   Labor External > IT Telecom to **Department** (split Equal)
   Labor External > IT Support to **IT Shared Service** (split Manual)



   Labor External > IT App Development to **Application Support** (Allocate 100%)



   Labor External > IT Infrastructure and Operations to **Business Service** (split Equal)

6. Allocate the remaining buckets as you see fit (for example, allocate all buckets starting with "Other" **Equal** against Business Service and the remaining buckets **Equal** against IT Shared Service).

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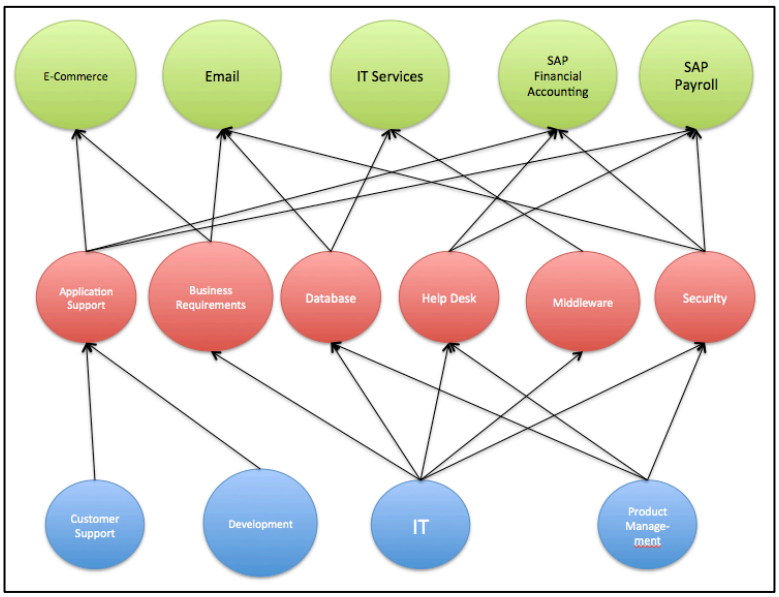
Create Manual Allocations

The Workbench allows you to identify relationships between layers of the Cost Model. The easiest of these is when 100 percent of the costs roll up to a single item in the upstream layer.

1. For the Customer Support Account, click the 
2. Select the Rollup Method, **Manual**, and the click the **Add Rollup** button.
3. Allocate 100% to Application Support



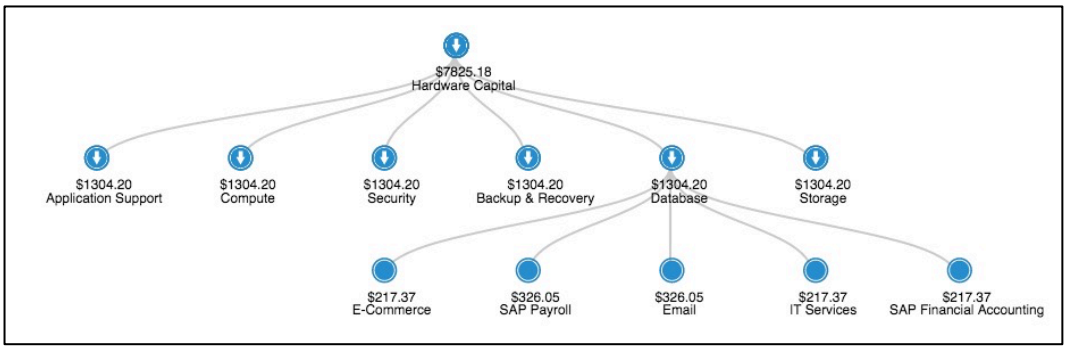
4. Click **Save Changes**.
5. Allocate the remaining accounts in the Chart of Accounts Hierarchy as follows. Use your own percentages.



6. In Allocation Setup, click the  icon and click **Show assigned buckets**.

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7. Notice that the buckets are grayed out, meaning they are allocated. Click the  icon on **Hardware Capital** to show where the **Hardware Capital** is being allocated. This shows where the money is being allocated. Click the arrows  to expose the layers.

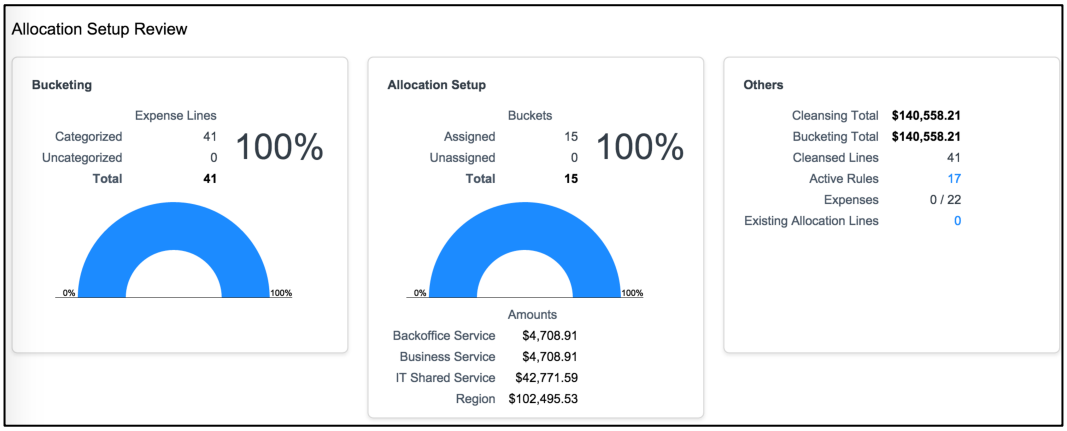


Review

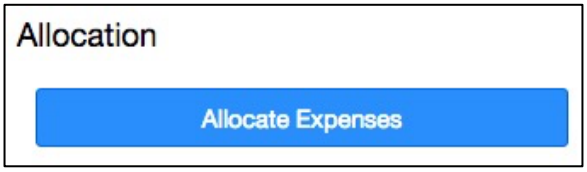
After all the steps in the Workbench are complete, you can review the work before you apply it.

1. Click the **Review** chevron.

2. Verify that all Buckets are categorized and all Allocations have been assigned.



3. In the sidebar, click **Allocate Expenses**.



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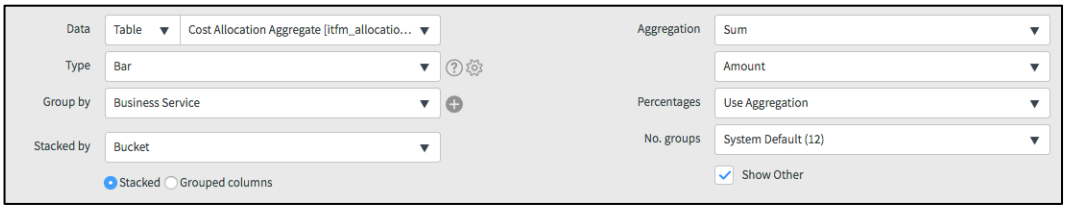
Lab Goal

Financial Management populates the table called Cost Allocation Aggregate (itfm_allocation_aggregate), which you can use to create some interesting reports.

Lab 7.0
Create an FM Dashboard

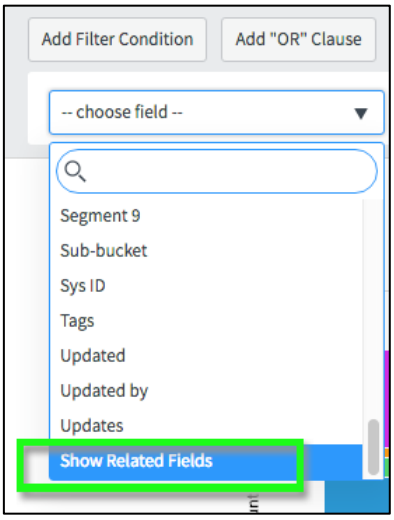
Creating a new Financial Management Report

1. Navigate to **Reports > Create New**.
2. Select the **Data** to come from **Cost Allocation Aggregate** (itfm_allocation_aggregate).
3. Create a bar chart group by **Business Service**, stacked by **Bucket**.



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4. Add a filter condition, **Show Related Fields**.



5. Select **Business Service => Business Service Fields**.

6. Select **Version** is **K16**.



7. Click **Run**.

8. Give the report a name like **K16 Business Service Costs by Bucket** and click **Save**.

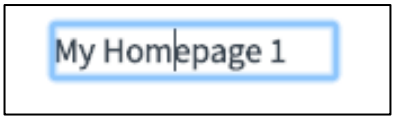
Create a Financial Management Dashboard

1. Click the ServiceNow logo on the header. This brings you to a dashboard page.



2. Click the **Plus**  icon beside the dashboard name to create a new dashboard.

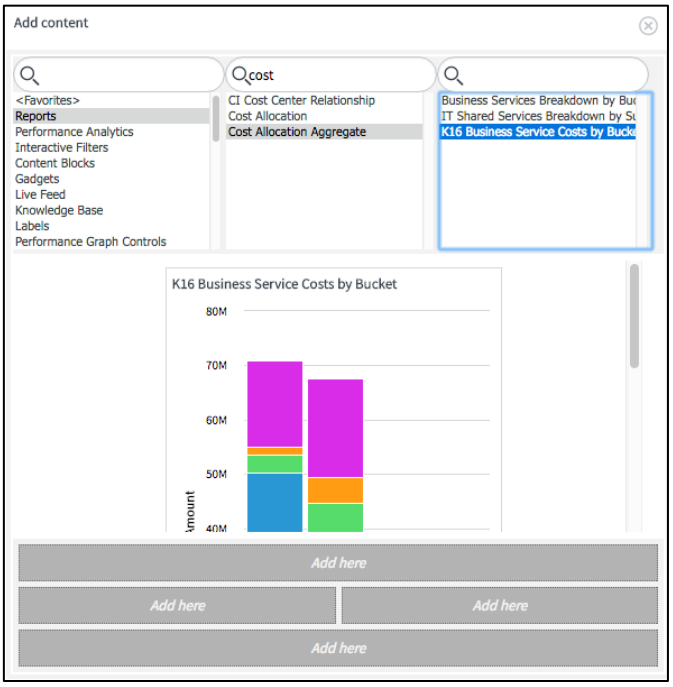
3. Give your dashboard a name by click on the title (e.g., My Homepage 1).



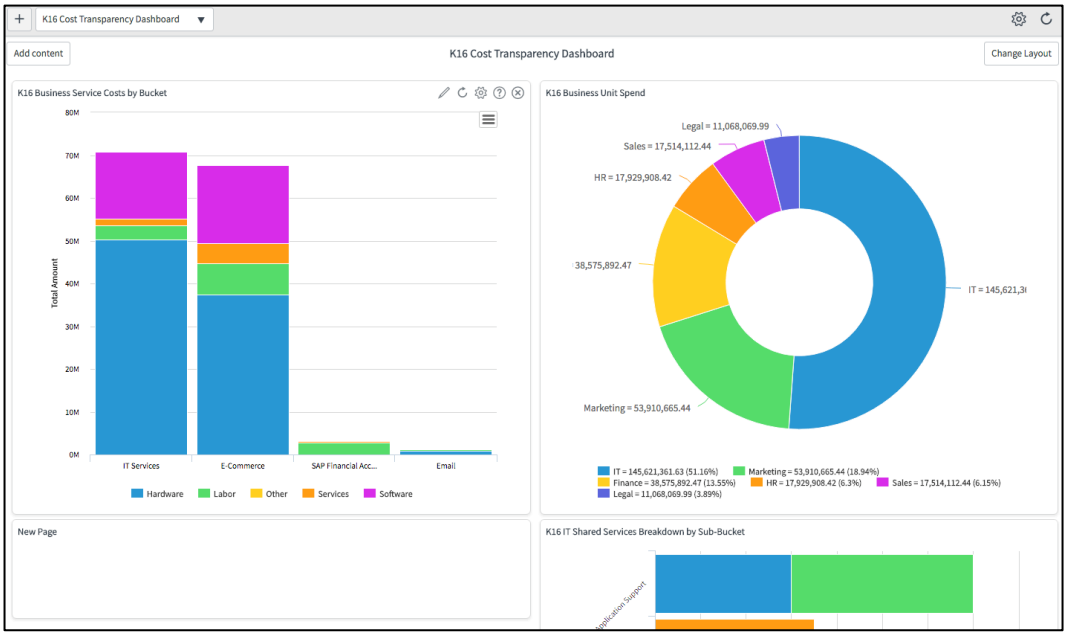
4. Click the **Add Content** button.

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5. Add some reports from the Cost Allocation Aggregate table.



6. Your dashboard should look like the example.



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