Lab Guide

Show Me the Money!

IT Financial Management 201

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Lab Goal

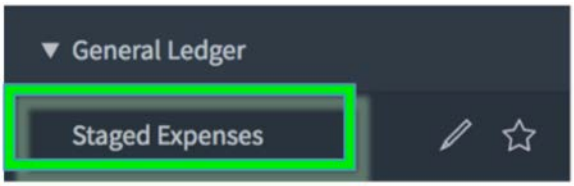
Financial Modeling starts with the financial data. We have already pre-loaded the GL data into ServiceNow. In this lab we will review the GL expenses in the Staged Expenses table.

Lab 1.0
Review
GL Data

Investigate the Provided GL Data

Before beginning the cost allocations, familiarize yourself with the data.

1. Navigate to **Cost Transparency > General Ledger > Staged Expenses**.



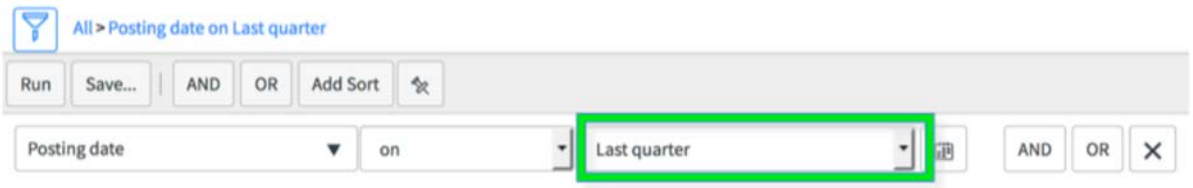
2. All columns with the exception of the Number column represent GL attributes. Review the data and what each column represents.

General Ledger Staged Data | New | Go to | Number | Search | 1 to 20 of 880

All

Number ▲	Description	Account name	Account number	Amount	Cost center	Department	Location	Posting date
GLS0000001001	PO-4502292	Bonus Expense	620351	311,293.61	IT App Development	IT Enterprise SW App	North America	2018-03-15
GLS0000001002	travel	Travel and Entertainment	622690	373,040.94	IT Infrastructure and Operations	IT Operations	North America	2018-01-16
GLS0000001003	PO-4502292	Bonus Expense	620351	380,213.25	IT Support	IT Services Management	North America	2018-03-15
GLS0000001004	PO-4502292	Bonus Expense	620351	626,072.07	IT Infrastructure and Operations	IT Infrastructure	North America	2018-03-15
GLS0000001011	Software support fees	Software Support Fees	622605	745,105.78	IT Support	IT Services Management	United Kingdom	2018-03-15
GLS0000007469	PO-4502292	Bonus Expense	620351	196,382.12	IT Telecom	IT Telecom	North America	2018-03-15
GLS0000022236	Allocation 5400/5410 Sept	Salary Expense	622999	5,621,445.22	IT Infrastructure and Operations	IT Operations	France	2018-01-15
GLS0000022376	US Dept 5400 Allocation	Data Center Hosting	646999	522,040.17	IT Infrastructure and Operations	IT Operations	North America	2018-01-15
GLS0000022426	US Dept 5400 Allocation	Facilities Expenses	632999	54,562.71	IT Telecom	IT Telecom	North America	2018-01-15
GLS0000022557	PO-4502268	Auditing Service	653000	1,488,825.91	IT Infrastructure and Operations	IT Infrastructure	North America	2018-01-15
GLS0000022596	PO-4502386	External Web Hosting	633150	217,774.47	IT Telecom	IT Telecom	North America	2018-01-15

3. Filter on **Posting Date** on 'Last Quarter'. You should only see expenses for January, February, and March of 2017.



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.

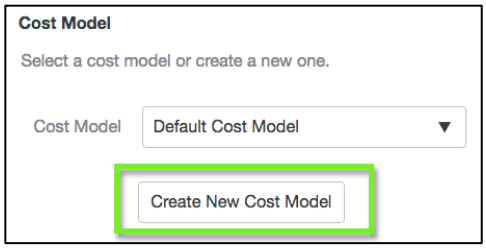
Lab 2.0 Workbench Data Definition

Define the Details for the Workbench Session

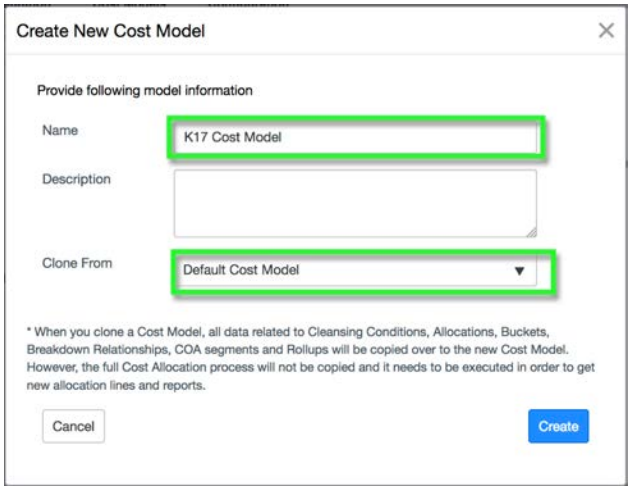
Identify details for the Workbench session to groom the data for FY15: Q1. This includes the creation of the Cost Model identified previously.

1. Navigate to **Cost Transparency > Workbench**.

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

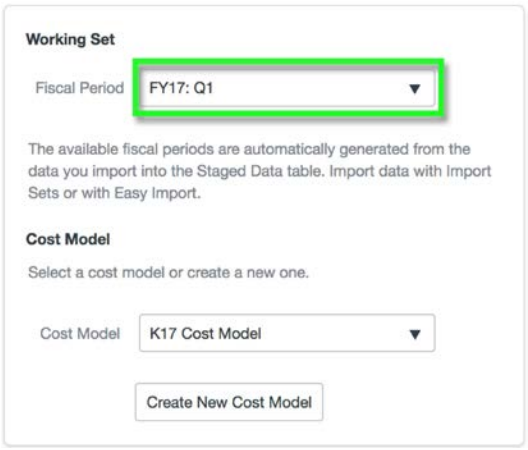


3. In **Create New Cost Model**, enter the following fields:
   Name: **K17 Cost Model**
   Clone From: select **Default Cost Model**



4. Click **Create**.

5. Under **Working Set**, set the Fiscal Period to **FY17: Q1**.



Update the Chart of Accounts Hierarchy

1. In the Financial Management Workbench, click the **Chart of Accounts** chevron.



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

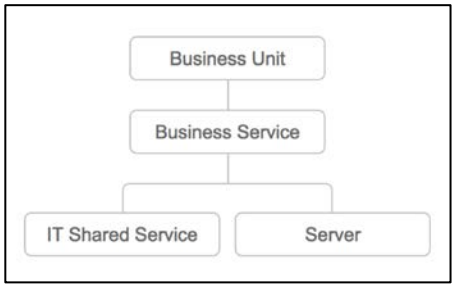
3. Drag **Project** at the bottom of the current hierarchy over the box that says **Drag here to delete**.



4. From the Segment Definition, drag **Server** over and drop it on top of the **Business Service**.



5. When **Business Service** turns blue, let go to update the hierarchy.



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

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 3.0 Workbench Data Cleansing

Cleanse the Staged Data

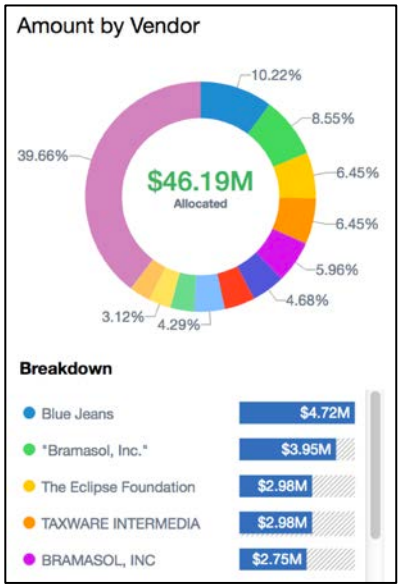
Some vendors are listed in the staged data in multiple ways or perhaps incorrectly. You need to fix this.

1. In the Financial Management Workbench, click the **Data Cleansing** chevron (make sure to start in FY17: Q1 in **Data Definition**).



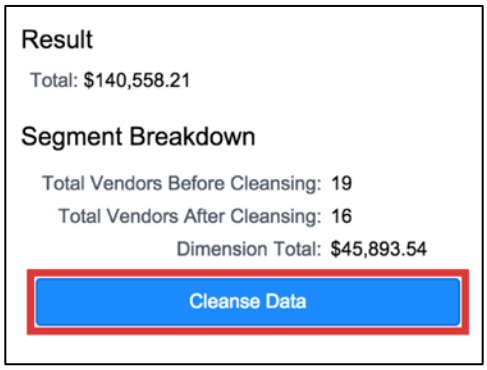
2. Under **Attributes** select **Vendor**.

3. View the instant vendor spend analysis chart. Which vendor does it look like got paid the most in the last quarter? Do you feel this is accurate?



4. View the data. What vendors do you think should be merged or corrected?
5. Drag **"Bramasol, Inc."** over **BRAMASOL, INC** to merge it.
6. What is the Merge Count for **BRAMASOL, INC**?
7. Re-examine the instant vendor spend analysis chart. Which vendor is at the top of the chart now?
8. What is the Mapped to value for **""""MediaPlatform**?
9. Double-click **""""MediaPlatform,** and set the new value to **MediaPlatform**.
10. Find other vendor names you would like to cleanse or merge.

11. 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**.

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 4.0
Workbench
Bucketing

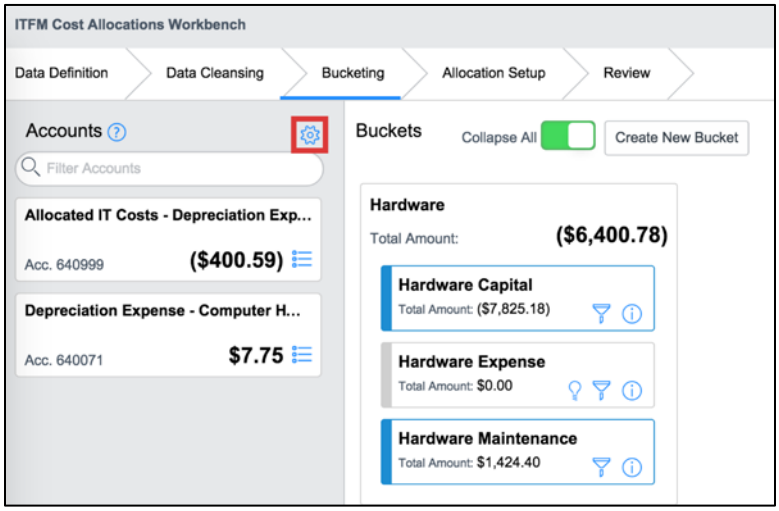
Uncategorize Data

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.

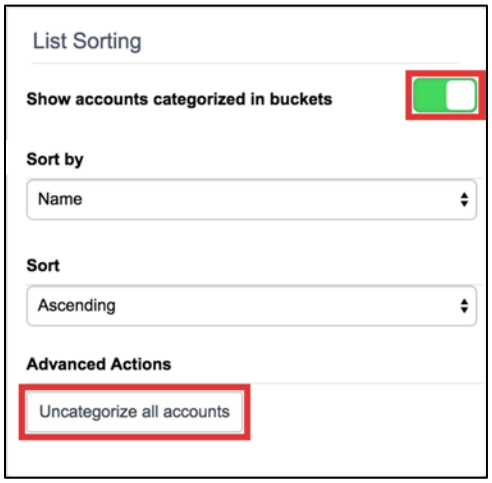


2. Click the **gear icon** next to **Accounts**.

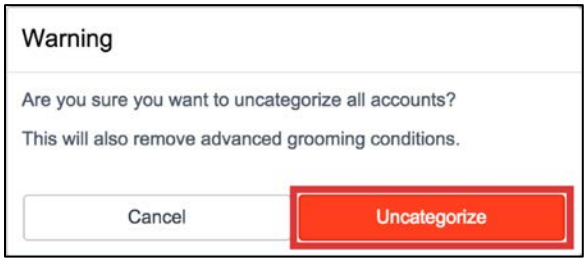


3. Select the option to **Show** accounts categorized in buckets.

4. Click **Uncategorize all accounts**.



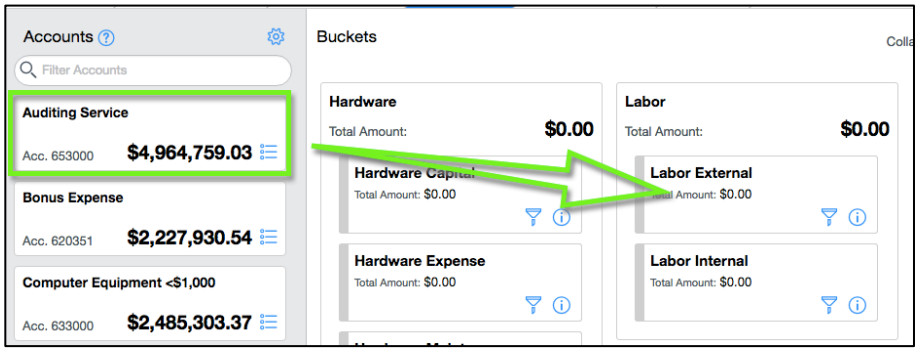
5. Read the Warning message and click **Uncategorize**.



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**.



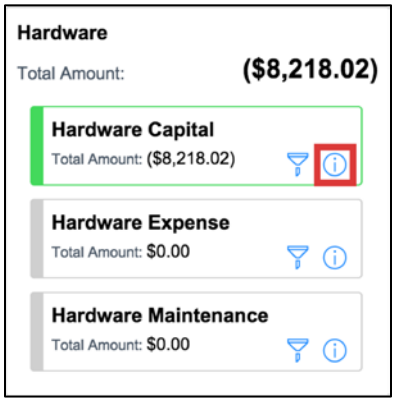
2. From Accounts, drag **Bonus Expense** over **Labor > Labor Internal**.

3. Repeat the process to bucket accounts as follows:
   Project Consulting and Temp & Contractor Expense to Labor > Labor External
   Computer Hardware to Hardware > Hardware Capital
   Computer Software to Software > Software License
   Supplier Fees to Services > Services Vendor
   Disposal/Sale Fixed Assets Proceeds to Assets > Other Assets
   Hardware Depreciation to Hardware > Hardware Capital

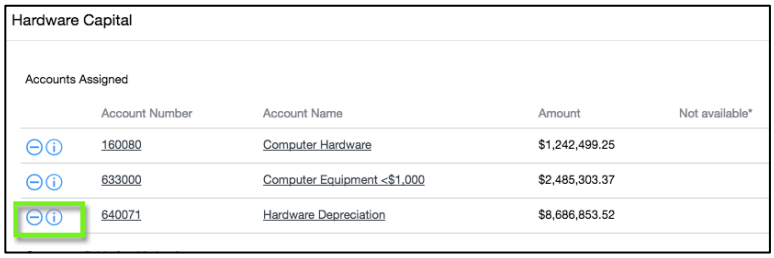
4. For the remaining accounts, assign them to buckets as you see fit.
   Remove an Account from a Bucket

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.

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



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



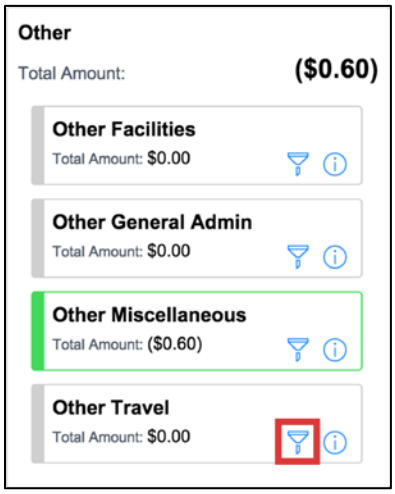
7. Click **Close**.

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

Bucket Accounts with Conditions

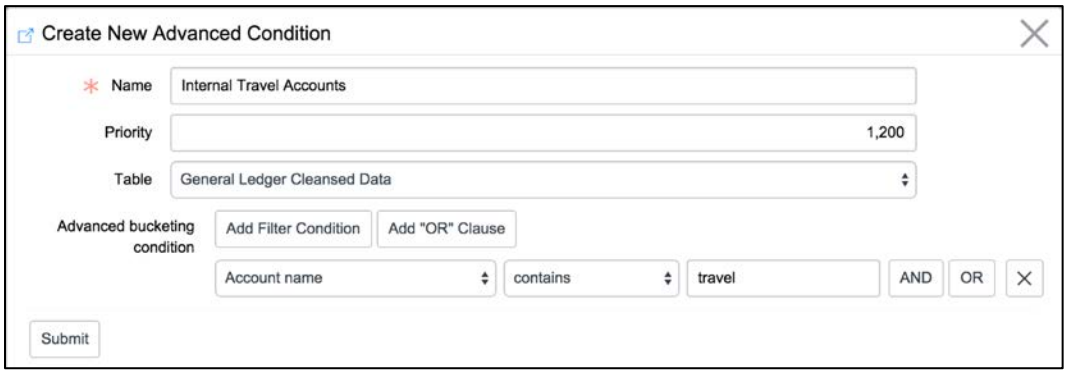
Another method to bucket accounts is through the use of conditions. This is useful when you can use specific criteria to identify accounts that should be in a particular bucket, perhaps through the Account name or number.

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**.

Lab Goal

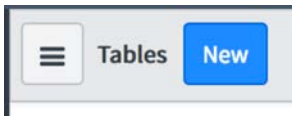
In this step we will go through the process of creating a table for the business unit headcount data and loading that data. We will also be creating allocation metrics to teach the system to use this data to allocate expenses.

Lab 5.0 Consumption Data and Metrics

Create a Table for the Business Unit Headcount

Create a new ServiceNow table to reference the headcount data.

1. Close the ITFM Cost Allocations Workbench.
2. Navigate to **System Definition > Tables**.
3. Click **New**.

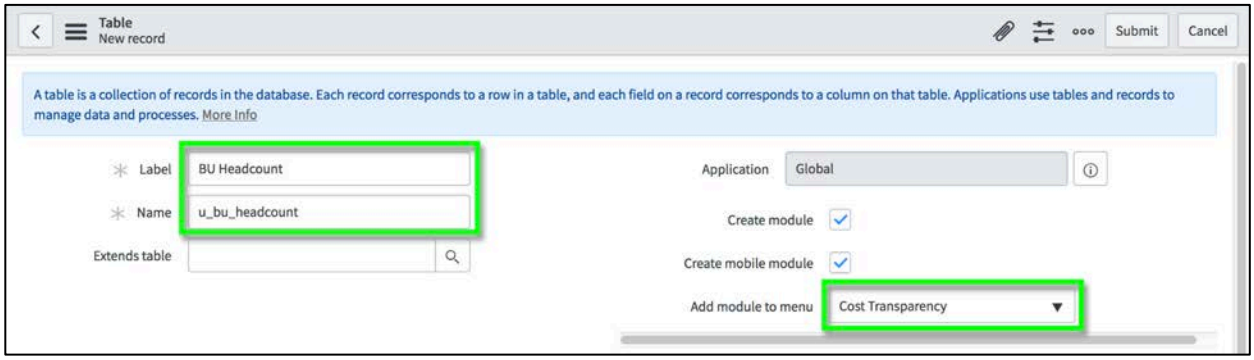


4. Fill out the following information:

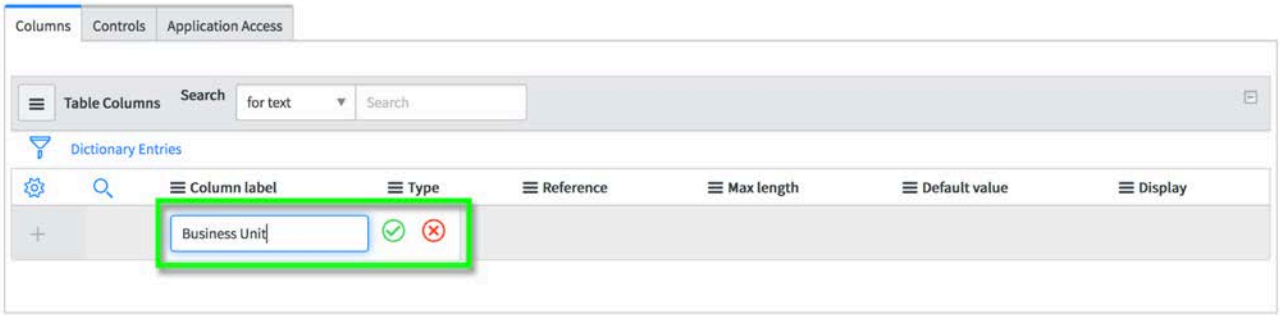
   Label: BU Headcount

   Name: u_bu_headcount (will be autofilled)

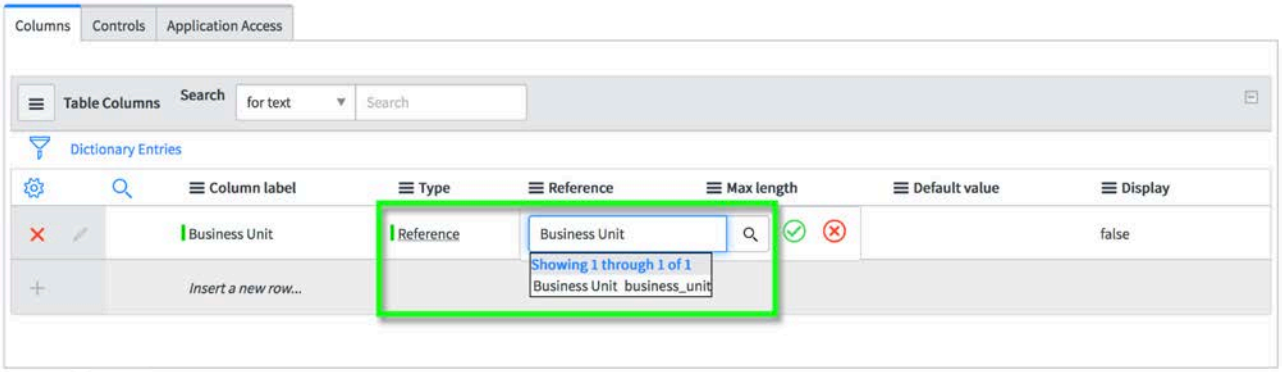
   Add module to menu: Cost Transparency



5. In the **Columns** section, create a column called **Business Unit.**



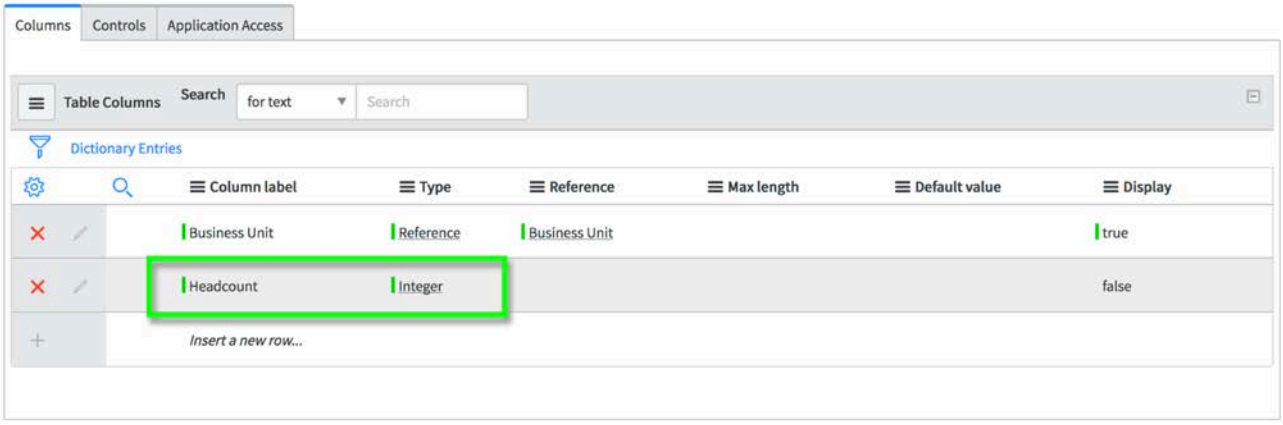
6. Set the Type of the column to be **Reference**, and reference the **Business Unit** table.



7. Set the Display value to **true**.



8. Add another column called **Headcount** and make it an **Integer** type.



9. Click **Submit** to create the table.

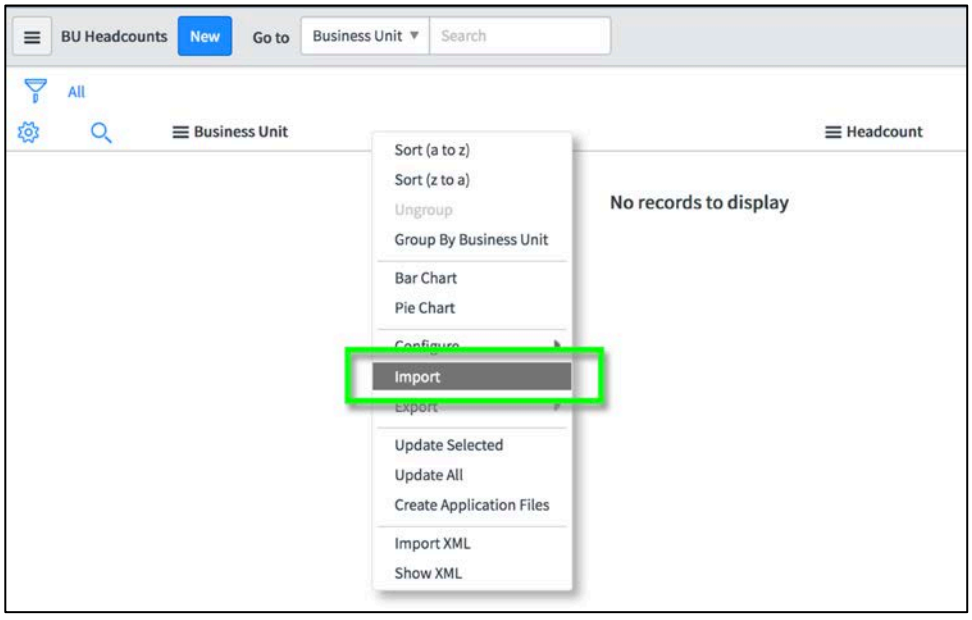
Load Business Unit Headcount Data

The headcount data is provided in the spreadsheet document.

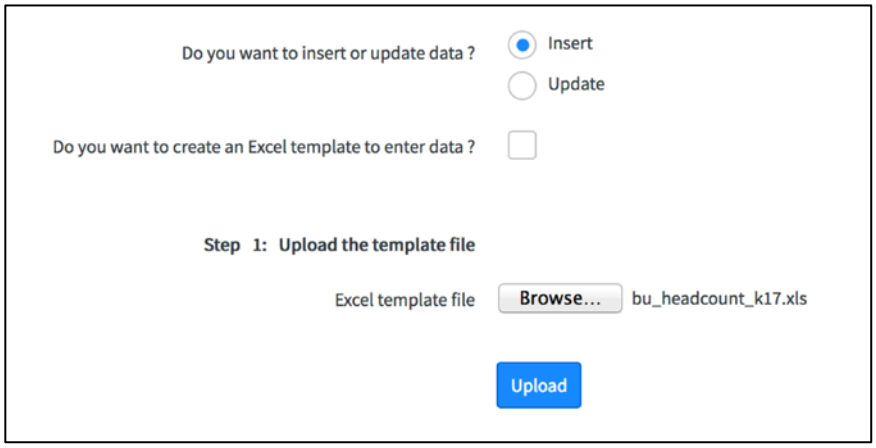
1. Open the **bu_headcount_k17.xls** file provided and review the Business Unit headcount data.

2. Navigate to **Cost Transparency > BU Headcounts**.

3. Right-click on the header row and select **Import**.



4. Uncheck the **Do you want to create an Excel template to enter data?** box and browse to select the **bu_headcount_k17.xls** file. Click **Upload**.



Once completed, click to **Preview Imported Data**.

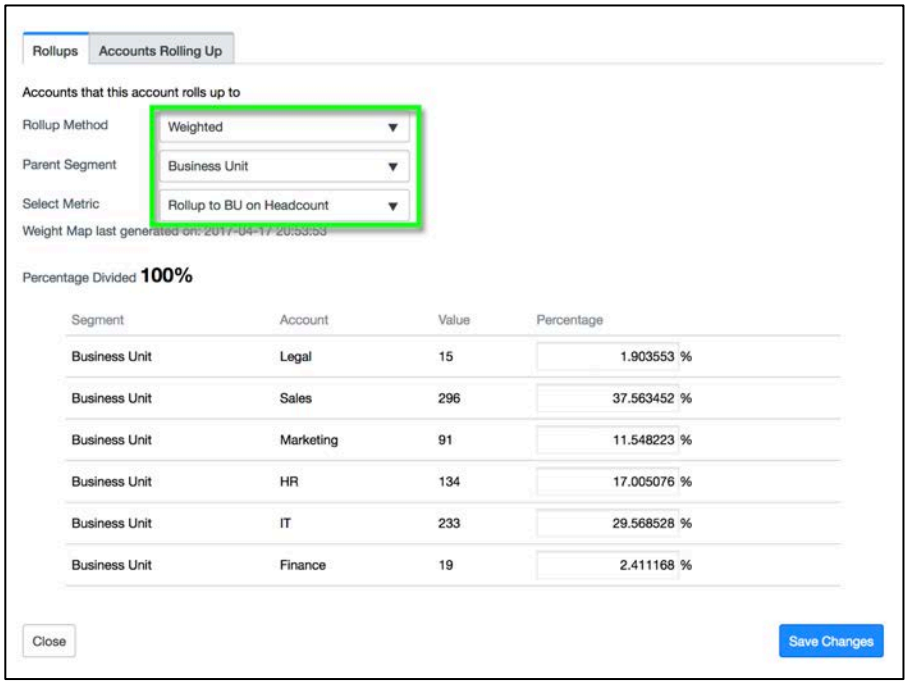


1. Click the **Blackberry** account hyperlink in the Business Server segment.



2. Select **Weighted** Rollup Method.

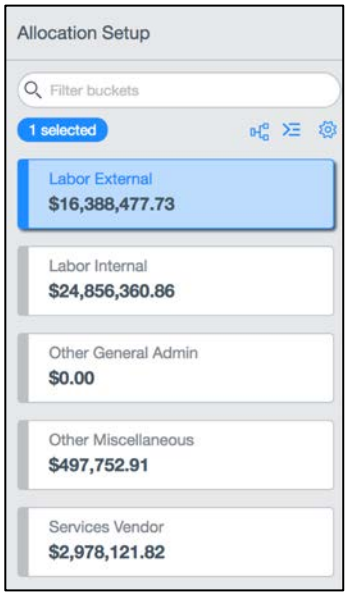
3. Select **Business Unit** as the Parent Segment, **Rollup to BU on Headcount** Metric and click **Save Changes**.



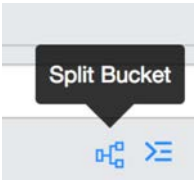
Split Bucket Based on Vendor

GL expense buckets are used to group GL transactions, however a more granular representation of the GL data may be needed for proper allocation.

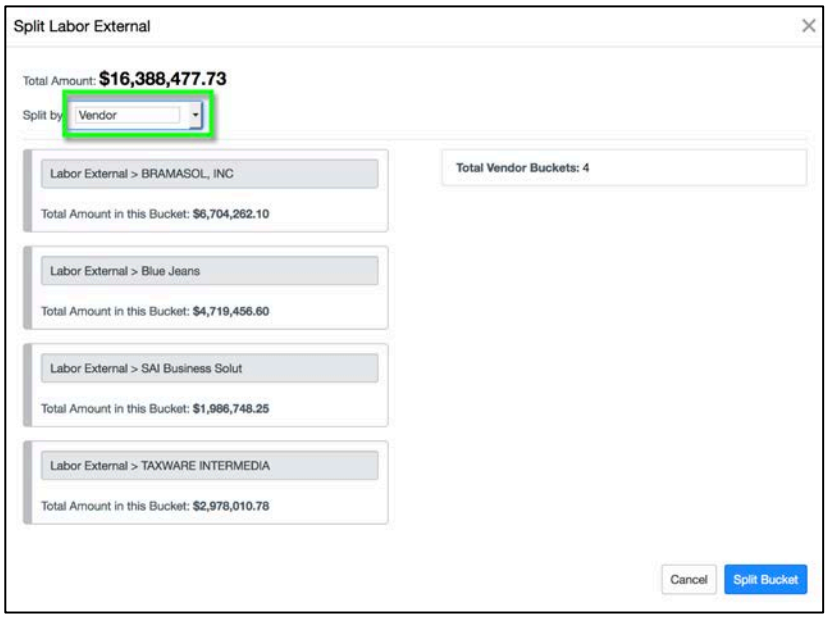
1. Click on the **Labor External** bucket to select it.



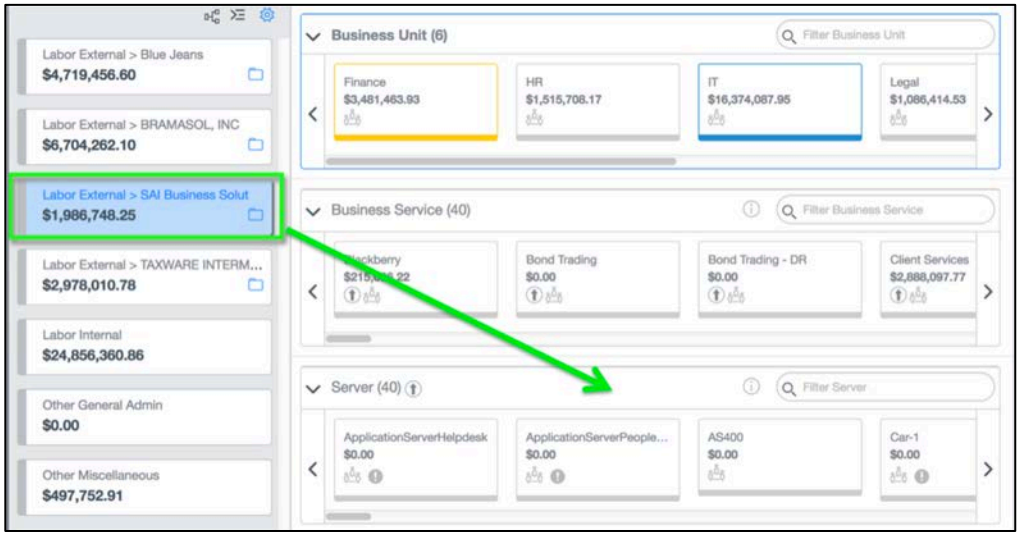
2. Click the **Split Bucket** icon.



3. Select to Split by **Vendor** and click **Split Bucket**.

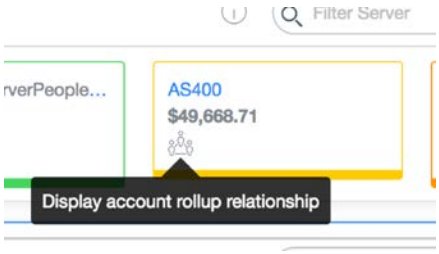


4. Grab the **Labor External > SAI Business Solutions** bucket and drop it on the top part of the Server segment.



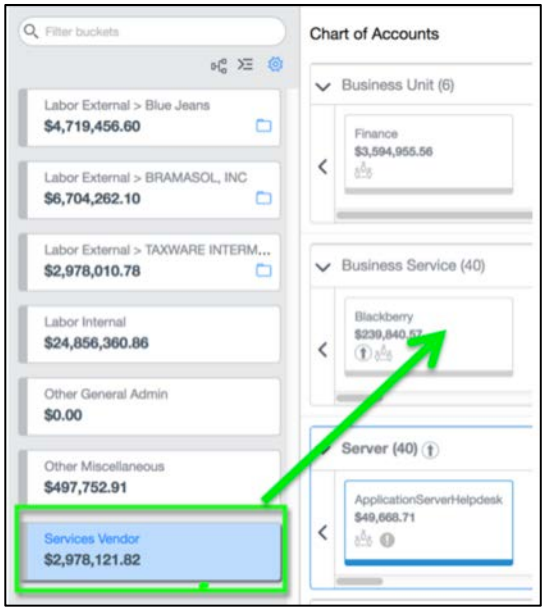
5. In the Create Allocation Rule window click **Create**.

6. Click on the **Display account rollup relationship** icon on the **AS400** account. See where the money from this server was allocated based on the CMDB.



7. Click on the **Display account rollup relationship** icon once more.

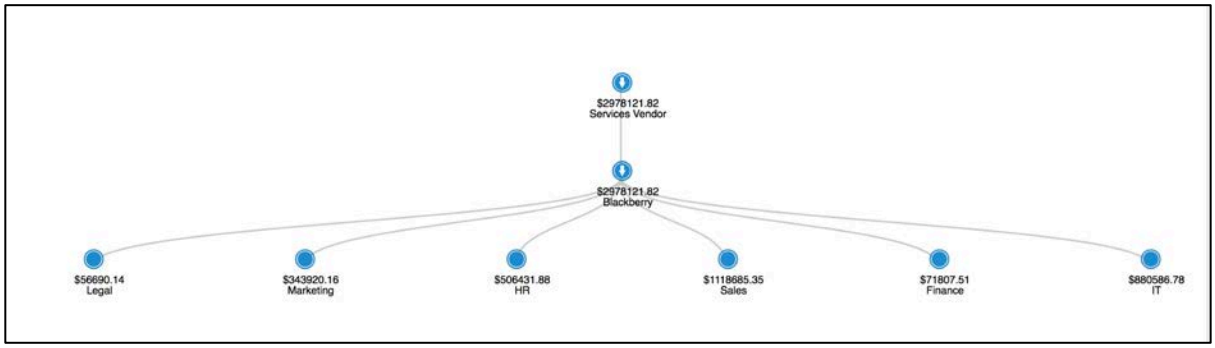
8. Grab the **Services Vendor** bucket and drop it on top of the **Blackberry** service in the Business Service segment.



9. In the Create Allocation Rule window click **Create**.

10. Click the  icon and click **Show assigned buckets**.

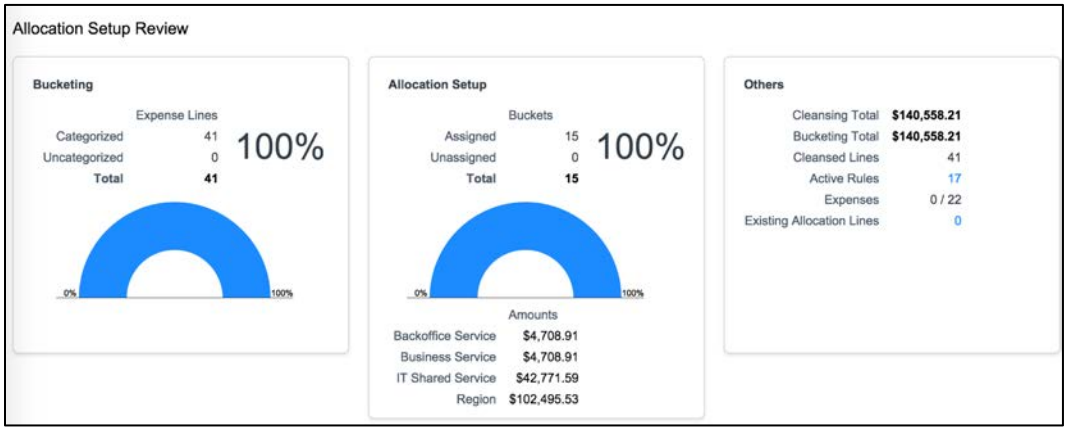
11. Notice that the buckets are grayed out, meaning they are allocated. Click the  icon on **Services Vendor** to show where the **Services Vendor** is being allocated. This shows where the money is being allocated. Click the arrows  to expose the layers.



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.



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