Oracle Cost Management is a comprehensive solution that helps organizations plan costs then perform cost accounting for supply chain transactions. These activities serve as a key component for complying with regulatory reporting and accounting requirements, for streamlining the use of working capital in organizations, and improved profitability for businesses. Oracle Cost Management is part of the Oracle E-Business Suite, an integrated set of applications that are engineered to work together.

**Standard Cost Simulation for Product Profitability Planning**

Oracle’s supply chain standard costing solutions can help you model and simulate alternatives for sourcing, producing, distributing, and delivering products to end customers. Once you have modeled the various alternatives using Oracle Cost Management, the solution will help you compare the relative profitability of the various alternatives so you can make strategic and tactical decisions with confidence.

Cost Management provides flexible cost setup features, including multiple cost elements and unlimited sub-elements, unlimited resources, and overheads, and unlimited activities. You can use one or more of the following cost elements: material, material overhead, resource, outside processing, and overhead. Sub-elements enable you to analyze costs in greater detail. For example, you can have multiple material overhead sub-elements such as purchasing, material handling, freight, duty, and so on. You can apply overhead on a fixed and variable basis, using activity, resource, or unit cost drivers.

The Supply Chain Cost Rollup functionality rolls costs across your global enterprise using your sourcing rules. This enables you to accurately define and maintain costs and associate them with items across your extended global supply chain for detailed product profitability planning purposes.

Cost Management provides several user-friendly views into your standard costs to help you proactively understand and manage your cost structures (Figure 1). The solution will help you streamline the effort required to maintain cost data for cost simulation and for analyzing the profitability of alternatives. This includes master cost data for defaulting, copying, and mass edit capabilities.
ORACLE COST MANAGEMENT FOR DISCRETE MANUFACTURING & INVENTORY LOGISTICS

KEY FEATURES

Product profitability planning tools
• Supply Chain Cost Rollup
• Unlimited Cost Types
• Unlimited Sub-elements
• Unlimited Resources, Activities, & Overheads
• Cost simulations
• User friendly editing and copying of cost structures

Transaction accounting
• Periodic Costing
• Perpetual Costing
• Standard Costing
• Average Costing
• FIFO/LIFO
• Period boundary control & flexibility
• Flexible Account Definitions
• Inter Organization Transfers
• Audit & Reconciliation Tools

Product Profitability Analytics
• Inventory valuation and uses of working capital
• Variance reporting
• Margin Analytics

Modes of Operation
• Discrete Manufacturing
• Shop Floor, complex routing
• Lean Manufacturing
• Warehouse Management
• Project Manufacturing
• Assets Maintenance
• Capital Projects
• Public Sector

Cost Accounting, Financial Reporting, and Audit

Oracle Cost Management is a full absorption, perpetual and periodic cost system for purchasing, inventory, work in process, and order management transactions. Cost Management supports multiple cost elements, costed transactions, comprehensive valuation and variance reporting, and thorough integration with Oracle Financials.

Cost Management automatically costs and values all inventory, work in process and purchasing transactions. This means that inventory and work in process valuations are up-to-date for tracking and managing your effective use of working capital.

The Cost Management solution provides flexible account setup, including accounts by organization, sub-inventory, and work in process accounting class. These tools help you distribute costs to the proper expense accounts and capture valuation in the proper asset accounts. Additionally, Cost Management's strong integration with Oracle Financials brings you powerful accounting configuration capabilities. You can take advantage of any of nearly eight hundred transaction attributes to fit the system's accounting behavior to your financial reporting needs.

Product Profitability and Working Capital Analytics

Cost Management provides comprehensive valuation and variance reporting. Perpetual inventory and work in process balances are maintained on-line. Multiple variances are supported such as: purchase price, standard cost, cycle count, physical inventory, work in process usage, and work in process efficiency.

Cost Management gives you sophisticated margin analysis reporting capabilities. Oracle Cost Management will help you gain and understanding of product profit contributions for your product management and profit improvement activities.

Oracle Cost Management Command Center

The Cost Management Command Center provides dashboards empowering cost managers with actionable insights that help them monitor and reconcile transaction costing and accounting, run smooth costing operations and close accounting periods on time. With tools and visualizations such as actionable indicators, tag clouds, interactive charts, and consumer-like search and filters, users can browse and drill on whatever captures their attention, revealing new information on which to base next discovery steps. Through this "information-driven navigation", users can quickly narrow in on priority transactions and take immediate, informed action.
The Oracle Cost Management Command Center is available at no additional cost to users of Oracle Cost Management, Release 12.2.4 and above.

Figure 2: Overview Dashboard in Oracle Cost Management Command Center

Oracle E-Business Suite: The Complete Solution

Oracle E-Business Suite enables companies to efficiently manage customer processes, manufacture products, ship orders, collect payments, and more—all from applications that are built on unified information architecture. This information architecture provides a single definition of your customers, suppliers, employees, and products—all important aspects of your business. Whether you implement one module or the entire Suite, Oracle E-Business Suite enables you to share unified information across the enterprise so you can make smarter decisions with better information.

CONTACT US
For more information about Oracle Inventory Management, visit oracle.com or call +1.800.ORACLE1 to speak to an Oracle representative.

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