Internship Report

Role of SAP on Robi Axiata Limited

Today is the era of modern technology. Each and every organization are planning, thinking and implementing new strategies to survive in the competitive market for providing best solution within a short period of time. As such, most of the companies are implementing SAP at their organization to run their financial procurement as well as analysis comfortably. The report is a reflection of role of SAP in Robi Axiata Limited.

Internship Report
On
Role of SAP
on Robi Axiata Limited.

Submitted to,
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Date: 09-October-2013

Letter of Transmittal

10-October-2013

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Submission of Internship Report

Dear Sir,

With great pleasure, here I submit my internship report on "**Role of SAP on Robi Axiata Limited"** working under its Finance Division that you have approved & assigned as a compulsory requirement of BUS-400 course. I have tried my level best to bring out the original scenario of the plan at Robi with full of effectiveness & efficiency.

The report contains details of the role of SAP with the procedures of how it is implemented, maintained & reviewed by Robi. I found the topic quite interesting, valuable as well as important.

I would like to thank you for your continuous support, guidelines & observation of my works which made it easy for me as well as provided knowledge of learning in practical.

Sincerely,

Samina Akther Rupa
ID: 08204021
BRAC Business School

Acknowledgement

A warm felicitation goes for me to acknowledge the people, who hold the desirability for encouraging, praising, assisting as well as believing me on the Role of SAP on Robi Axiata Limited on what I have worked through my internship period. First of all I would like to take the opportunity to thank Samina Haque, Senior Lecturer, BRAC Business School, BRAC University for providing me guidelines, help in assisting my report. I am really very grateful to her. She was constantly supporting me with his inspiring personality. I will always be always thankful for her extraordinary stanchion.

I would like to take the opportunity to thank Mr. Fahad Mahmud, General Manager, SCM Strategy & Analysis, Finance Division of Robi Axiata Limited for being my on-site supervisor & providing me time to time information, suggestion as well as procedures to work with my topic.

I also want to thank Mr. Mahbubul Haque, Manager, Procurement, SCM of Robi Axiata Limited for being so cooperative in my work. I also thank Mr. Abhijit Bhowmik, Rezwan Sourav, Monjur Nahid & all other members of the department for creating a friendly environment & making me feel that working is really enjoyable.

I want to thank my department head, Zahed Hossain & Saiful Alam, Vice-President of the respective departments of SCM for accepting me as a potential intern of this department.

Finally I will show my gratitude to my family, friends as well as the entire team who somehow has impact on me in completing my whole report.

Executive Summary

Today is the era of modern technology. Each and every organization are planning, thinking and implementing new strategies to survive in the competitive market for providing best solution within a short period of time. As such, most of the companies are implementing SAP at their organization to run their financial procurement as well as analysis comfortably. The report is a reflection of role of SAP in Robi Axiata Limited.

A supply chain management system works well on a trusted ERP such as SAP, particularly for distributor operations. The biggest improvement can be seen when an organization's supply chain relies on information being exchanged between the principal and its distributors or different offices in various ways. Item master data and price lists can be pushed to distributors with the SAP integration tool. Subsequently, Crystal Reports and dashboards can be used to provide more intuitive reports across the business based on accurate and timely data.

SAP is a foremost Enterprise Information and Management Package which helps Robi Axiata Limited to track and manage sales, production, finance accounting and human resources, in real-time. The main benefit that Robi Axiata Limited gets from this software is assimilation because SAP is designed to allocate any organization to operate diversity of business processes within a single integrated information system. Although Robi Axiata Limited gets various benefits from SAP, several departments have been affected due to execution of this software and Supply Chain Department of Finance Division is most affected one. Different finance functionalities like Financial Planning Processing, Internal Orders Processing, Month end Closing, Value Chain Reporting, Product costing, Cost centre Hierarchy, Collection Process, Profitability Analysis, Planning from Retail Selling Price, etc. have been changed because of the SAP Financial Accounting Module and SAP Financial Controlling Module. Although SAP helps Finance Division of Robi Axiata to improve their collection process, Month end Closing process, monitoring and controlling activities, diminish billing cost and speed up data processing, etc. but it requires high understanding level regarding SAP application and great discipline among the employees of the Robi Axiata Limited.

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List of Abbreviations

ERP	Enterprise Resource Planning
EUT	End User Training
SAP	System Application Product
MFG PRO	Manufacturing Program
PSC	Pre-Signed Cheque
PA	Profitability Analysis

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Chapter One

Introduction

1.1 Introduction

Today's Business world is changing very rapidly. Every company in each and every industry takes different strategies to survive in this dynamic world. As a change as well as keep pace with rest of the world, most of the companies are now using different ERP systems in their operation to make their business more effective and efficient. Even some companies start business transforming program to get competitive advantage over their competitors. This report will give a clear understanding regarding how Robi Axiata Limited is affected by SAP implementation.

1.2 Rationale for Internship

As a Bachelor in Business Administration (BBA) student, it is required for everyone to remain attached with an organization for a time-period of 3 months after completing all the taught courses to relate their academic curriculum to practical working atmosphere which is called internship. An internship program is generally designed for students to grow professionally, experience the real corporate working environment as well as scope and complexity. Moreover, it is a pathway for students to practice professionalism before entering into a serious job. It helps them to build their self-confidence, and interpersonal skills which is important for job market. However, it is also beneficial for both the students and organization to upsurge relationship among them for further opportunities. After successful completion of working with an organization, a report is to be submitted to both on-site supervisor as well as academic supervisor for evaluation.

As a mandatory part of my graduation, I was placed at Robi Axiata Limited, Corporate Office, Gulshan-1, Dhaka and assigned to conduct study on "The Role of SAP on Robi Axiata Limited".

With the help of my on-site supervisor Fahad Mahmud, General Manager, SCM Strategy and Analysis, Supply Chain Management Department, Finance Division, I have performed my internship report on "The Role of SAP on Robi Axiata Limited". My academic supervisor Samina Hauqe, Senior Lecturer, BRAC Business School also approved the topic and allowed me to prepare the report as part of the fulfillment of internship requirement as well as gave me appropriate guidelines time to time.

1.3 Background of the Topic

Telecommunication Industry is one of the booming industries of Bangladesh. There are 6 (six) Telecom Companies in this country; Grameenphone, Robi, Banglalink, Citycell, Airtel and Teletalk. Competition among them is really high and to cope up with the situation companies need to work in the most efficient way. SAP is such a software which helps Robi Axiata Limited to track and manage sales, production, finance accounting and human resources in real-time. SAP is a leading Enterprise Information and Management Package. The main benefit Robi gets from this software is integration as SAP is designed to allow any organization to operate variety of business processes within a single integrated information system. Although Robi gets various benefits from SAP, several departments have been affected due to implementation of this software and Finance Division is most affected one. Different finance functionalities like Financial Planning Processing, Internal Orders Processing, Month end Closing, Value Chain Reporting, Product costing, Cost centre Hierarchy, Collection Process, Profitability Analysis, Planning from Retail Selling Price, etc. have been changed because of the SAP Financial Accounting Module and SAP Financial Controlling Module.

Although SAP helps Supply Chain Department, Finance Division of Robi Axiata Limited Bangladesh to improve their collection process, Month end Closing process, monitoring and controlling activities, reduce billing cost and speed up data processing, etc. but it requires high understanding level regarding SAP application and great discipline among the employee of Robi.

1.4 Objective of the Report

The objective of this report is to encompass on general and specific objectives. These are given below:

1.4.1 General Objective

The main objective of this report is to find out the impacts on financial functions of Robi Axiata Limited due to SAP implementation.

1.4.2 Specific Objectives

1. To find out what is SAP and its business benefits
2. To learn more about different SAP finance modules and how they work
3. To find out the key changes of financial functions of Robi Axiata Limited due to execution of SAP
4. To understand how they are benefited

1.5 Scope

Robi Axiata Limited is a mammoth multinational telecommunication organization in Bangladesh. Locating at Gulshan-1 with its corporate office, it has more than 10 regional offices in different locations of different districts. Robi consists of 9 (nine) big divisions each containing several departments according to the division and organizational need. Finance division of Robi Axiata Limited is accountable for financing into different proposals, business partnering, as well as new product development. Supply Chain Management is one of the departments of Finance division. This department is responsible for all the procurements and procurement related contracts and strategy. As per the requirements, this report only focuses on few parts of Robi Axiata Limited. This only contains information regarding implementation and role of SAP software at Robi.

1.6 Methodology

I have collected information in two different ways. Both sources have been equally used to generate the report.

1.6.1 Primary Source

Primary data is collected by

1. Actively working through my internship period with my on-site supervisor about the topic.
2. Collecting document and information from my divisional General Manager as well as Executive Vice President.
3. Process documentation files of different department and divisions.

1.6.2 Secondary Source

For completing this report in more organized way, I have also used several secondary sources of data. Those sources are different websites, books, and articles. Most of the secondary information such as organizational overview, management profile, divisional and departmental chain of command, etc is collected from internal website of Robi: http://portal.robi.com.bd as well as Robi Official website: www.robi.com.bd.

1.7 Limitations

The fundamental limitation of the report is providing solid and definite information about SAP software. As an intern, it is possible for me to view confidential information of any document related to my topic but not to attach with the report. Hence, it is difficult for me to prepare the report. Sometimes, I have had to use generalized idea about any topic and relate it with the actual SAP implemented by Robi. There are several contains that I am facing. Some constrains are like:

1. I am allowed to put any numeric data in this report.
2. Lack of cooperation from officials in the confidential point of view
3. Lack of practical knowledge in different SAP applications

Chapter Two

Overview of the Organization

2.1 Background of Robi Axiata Limited

The world is becoming closer day by day with the power of technology, internet and telecommunication. There was a time when people used to wait for weeks to communicate with others. The strength of telecommunication industry has removed this distance from each other all over the world. Bangladesh is also blessed by this potency and Robi Axiata Limited is one of the major telecommunication organizations facilitating the consent. The company is a joint venture flanked by Axiata Group Berhad, Malaysia and NTT DOCOMO Inc, Japan. Axiata holds 70% and DOCOMO grasps 30% shares of Robi. In earlier times the company was known as Telekom Malaysia International (Bangladesh) which entered into our country in 1997 merging A.K Khan Group of Chittagong with the brand name AKTEL. Later on in 28 March, 2010 it transformed its brand name from AKTEL to Robi Axiata Limited. Reason behind changing brand name was to approach more closely to the people of our country. Not only the brand name was changed but also the strategy of business, operational activities as well as scope of providing higher quality service to customers was modified by Robi and as a result, now they are almost in close proximity to their destination. Setting up of new Robi Sheba points; remodeling and relocation of some old ones; offering numerous packages and services to benefit customers etc. have not only stimulated their growth but also helped in strengthening customer confidence greatly. Besides, introduction of e-remittance, e-traffic and other internet related services have also added value to their operations.

Robi supports 2G voice, CAMEL phase II and III, GPRS/EDGE services with high speedy internet connection. It has the widest worldwide exposure in Bangladesh that connects 600 operators in more than 200 countries. With the help of flexible tariff plan, customer oriented Value Added Service (VAS), quality service centers, 24-hours call centre, digital network facility etc Robi has reached to the hearts of million people.

As a telecom company, Robi believes in customer satisfaction because they are the ultimate consumers for whom Robi can stand. So, their principle is, *"We are there for you, where you want and in the way you want, in order to help you develop, grow and make the most of your lives through our services.*

2.2 Current Situation in Bangladesh

In order to increase market share, profitability and efficiency, Robi have addressed the need of empower their regions and focus strategies on different business areas. They have reduced bureaucracy, cultural barrier between countries and customers which is a bold step envisioning their growth. As a result, the current situation of Robi Axiata Limited in Bangladesh is very significant. In 2012, Robi's revenue growth touched to 44.7%, and population coverage reached 98% which shows momentous achievement for them. As the establishment of Robi was in Chittagong, they always gave preferences to Chittagong people along with the country. The company which was established with only 7 BTSs now occupies 1,930 BTS sites at Chittagong and total 8370 BTSs all over the country. Moreover according to Bangladesh Telecommunication Regulatory Commission, within two years of operation as Robi, the organization has earned 19.08% market share. Surprisingly, out of this market share, 60% is of Chittagong. Currently, Robi holds the third position in the telecommunication segment of Bangladesh in terms of subscriber covering 17.087 million active users in our country which 25% lies in Chittagong but second in terms of print media coverage. The day is not so far, when Robi will be the leader in this sector.

2.3 Vision and Mission

2.3.1 Vision

Their vision is to be the leader in the telecommunication industry of Bangladesh.

2.3.2 Missions

1. Cover the whole country with their network system.
2. Establishing customer-based product portfolio.
3. Providing best services for their customers.

2.4 Divisions and Departments

Robi Axiata Limited consists of 9 big divisions each containing several departments according to the division and organizational need. The organization is headed by a Chief Executive Officer/ Managing Director. Each division is headed by CXOs and each department is headed by either an EVP or VP but sometimes EVP holds responsibilities of more than one department. General Managers are there to coordinate between departmental heads and employees. Managers are given specific tasks, programs, plans or analysis to be done. Specialists and Officers are entry level positions who perform different types of job given by managers or general managers. Here is a brief of all the divisions. However, chain of command for top management and each division is shown in **Appendix I**.

2.4.1 Market Operation

Market operation division is responsible for acquiring monthly targeted sales given by top management. The division works to develop brand and market communication, sales of corporate and business products, maintenance of contact centre as well as participate in building up pricing strategy of new products.

2.4.2 Finance

Finance is the heart of any business functions because they are responsible for budgeting. Finance division of Robi Axiata Limited is accountable for financing into different proposals, business partnering, as well as new product development. Finance controls financial accounting, creating salary sheets for employees, maintaining compliances and so on. Corporate Finance, Financial Accounting and Management Reporting, Financial Compliance, Insurance and Process, Supply Chain Management, Revenue Assurance and Fraud Management, Planning, Business Partnering, Media Buying, Transformation Office and Company Secretary are the departments of Finance division.

2.4.3 Corporate Strategy

Main task of corporate strategy division is to analyze monthly growth, revenue, KPIs as well as develop new business proposals for Robi. The division is responsible to plan for organizational growth.

2.4.4 Corporate Regulatory Affairs and Legal

This division is known as CRL which is in charge of all the CSR activities approval, analysis of event management and sponsorship, maintaining relations with media, handling legal issues by govt. and so on. Two of the most renowned faces are incorporating the division.

2.4.5 Human Resources

Human resource or HR mainly works for recruiting new employees, providing training for existing employees; circulate salary to employees account, employee motivation, as well as organizational development. HR also takes the responsibility of maintaining good relations among all the employees.

2.4.6 Technology

It is the division which provides IT support to all the divisions and departments of Robi. Main tasks of this division is maintenance of regional IT operation along with establishing BTS, central network monitoring, technology compliance, supporting employees by providing necessary hardware and software, support contact centre etc. Controlling Robi website as well as intra-division and departmental websites is also an important task of technology.

2.4.7 Administration

Administration division works to control the business facility layout, safety and maintenance, controlling overall employee management, security staffs and personnel management etc. Besides, maintaining alternative sites for emergency evacuation is also a part of administrative job.

2.4.8 Enterprise Program Management

Enterprise program management (EPMO) works closely with the CXOs in developing or participating different management programs. Along with the Corporate Strategy division, EPMO defines business objectives, goals, policies for business and contribute for dissimilar projects to take place.

2.4.9 Internal Audit

Internal audit division of Robi works to ensure worth of operations, reliability of financial reporting, determining and investigating fraudulent activities, safeguarding assets in accordance with the law and regulations.

2.5 Achievement and Recognition

Achievement and recognition of Robi Axiata Limited is shown in **Appendix II**.

Chapter Three

My Job Part

3.1 Prologue

Getting a chance into a multinational organization as an intern is very influential in my eyes as it has diversified ways of work as well as tremendous scope of working. As an intern at Robi Axiata Limited, here is my opportunity to enlighten my responsibilities and works that I went throughout the period of my internship.

I got the privilege to work with Robi at its Supply Chain Management of Finance division for a period of 3 months. Though I was working as an intern, I noticed that every desk is assigned a specific job and particular people are given responsibility to carry out that job. In cooperating with all the persons I worked with, I came to learn a lot of things which can help me not only in professional life but also in my personal life.

It is very important to work with a team in these multinationals because here every task is divided into parts and each person of a team is given specific segment to complete and after the given period, all the members sit together and join each task to make a complete project. I worked at my department with my team and no doubt to say they were very supportive and helpful. I came to know about what punctuality is and how it is maintained. Moreover, I was able to learn how works are distributed among different designated personnel, how reports are prepared and analyzed, reviewed and checked, how efficiently people interact with their associates, and how they prepare themselves to complete their tasks within the given instant.

3.2 Job Responsibilities

Primarily I have worked for Supply Chain Management under Finance Division where I along with my supervisor worked on SAP on Robi Axiata limited. Besides, I was given other responsibilities time to time. I prepared the data of regional and corporate contact personnel, listed them in a table, and synchronized with the framework. I prepared high level flowcharts according to my supervisor's instruction.

Without the responsibility of SAP, I was also given different tasks time to time. SCM works to maintain vendor database management, payment terms correction, input monitoring etc.

This is done to follow the procedures of different tasks. For example: if any department needs intern, they will collect an internship placement form from the HR and fill it up will the requirements as well as qualification they need. The form then submitted to HR and according to the constraints of that department, HR recruit intern personnel. It is actually a process. So, a process document file named "Intern Recruitment" is there so that every employee knows in which situation what procedures they need to follow. I worked with these process documents to be arranged and classified by category of division. Furthermore, these documents was verified by divisional head and converted into pdfs to upload into the internal website of Robi.

Other than these, I was also given some specific responsibilities which I had to submit time to time to my supervisor. These are described in brief below:

3.2.1 Vendor Database Management (Update and Analysis)

Robi Axiata used to have Vendor Database Management previously where all the information of each vendor was not completely inserted. So it lacked of many information. My task was to update those information in SAP. So I collected the information given at Vendor Database to find out which information of which vendor is missing. I segregated the list of vendors according to missing information category. For example: those who didn't have address were categorized in one section. Then I have contacted with the respective buyers to collect those missing information. Sometimes buyers also didn't have those information of vendor; in that case I directly contacted with the vendors through e-mail to collect those data. After collecting all the data of all the vendors, I inserted those information in SAP again to make a complete vendor database.

3.2.2 Payment Terms Correction in SAP

The payment terms that was uploaded in SAP was not completely correct. For example: a vendor was to get payment after 60 days of delivery was made payment after 30 days. Sometimes reversal was also found. So that vendors were not satisfied at all; especially those who were getting payment long after the due date due to mismatch of payment terms with accounts department. So it was necessary to correct those payment terms

according to purchase order as well as accounts so that all the vendor get their payment on due time. Therefore, my task was to correct those mismatched data. I looked into the contract that is uploaded in SAP for each purchase order and checked the payment terms to find out mismatch information. If there was any, I corrected the payment term according to the contract.

3.2.3 Report/Input Monitoring

An outward register was maintained in my department in which all the documents that were going out of the office were given a specific serial number. It was done to find out the document very easily by the serial number. I was given the responsibility to monitor the register to look after that all the outward documents were given a serial number.

3.3 Relate Practical and Academic Curriculum

It is very obvious that an internship program is the initial stage of getting entered into a professional career. It is a platform where we can relate our academic curriculum and corporate life. Similar things happened to me. Some says professional life and academic life are totally different in nature and there is no relation in between them. But I do not feel the same as because I was able to relate every work I have done at Robi to my academics.

While preparing my presentation, I found it easier to me because I were used to it. Every semester in our university, we are obliged to our course instructors to make a report as well as presentation so that we can enhance our capabilities and skills. It helped me a lot in creating this paper and presentation. Working with MS Word, Excel, and analyzing data was a daily routine work at my student life which helped me a lot to work with screening and monitoring various documents.

In our academic programs, we are taught only theories given by famous peoples but not real life examples. If though examples are given, sometimes it is very difficult for us to clearly comprehend as most of the books are written by American writers. So, examples are hardly in our country's context. As a result it feels great when we can uncover something which relates our educational prospectus to practical work experience. Alike, it gave me pleasure when I have originated such.

Chapter Four

Introduction to SAP

4.1 Overview of SAP

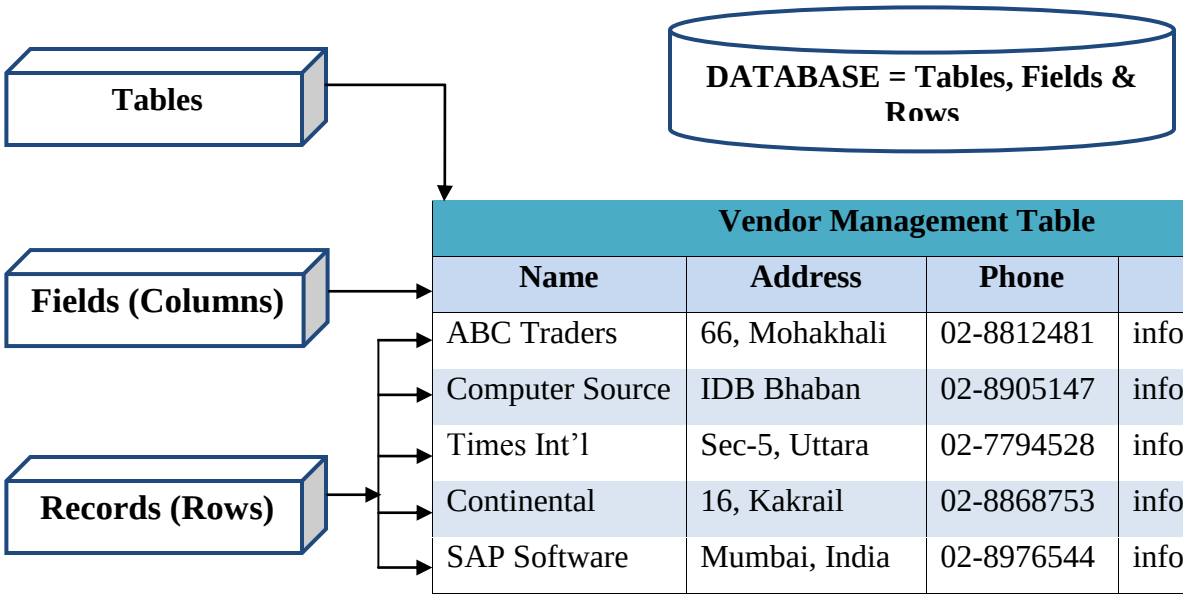
SAP is a leading Enterprise Information and Management Package. Systems Application and Products (SAP) is a powerful tool that integrates multiple business processes and functions into one comprehensive system. By using this software, any company can easily track down and manage their sales, production, financial accounting, and human resource in real time. SAP AG is the world's largest enterprise software company which creates this software for business named SAP. There are various components within the SAP software. Each of those components can be broke down further into modules of functionality and those are more discrete in nature. All SAP components link into a central database, which connects various business activities of the company and is where all company data is stored. However this software is comprised of modules like Finance, Sales and Distribution, Materials Management, Warehouse Management and so on. Individual SAP modules combine to form an SAP component. Each of these modules serves to manage a functional area for which a particular department is responsible. Indeed a company's business processes are configured within a SAP component. By adopting this proven practice, companies serve their stakeholders more efficiently.

4.2. Design of SAP

All enterprise applications like SAP are essentially made up of programs along with the data that are both used by and created by those programs. The data are organized in a meaningful way within a database, making it easy for the programs to access and find the data necessary to do something useful like run a financial report or create a sales order. In the case of an SAP component or product, the programs and data reside together in the same database. Each component generally has its own database; a production system composed of SAP, SAP Business Warehouse (BW), and SAP Customer Relationship Management (CRM) consists of three production databases. Given its fundamental station in the life of an SAP system, it is important to therefore understand the overall role of the database.

A database is essentially an electronic filing system that houses a collection of information organized in such a way that allows a computer program to quickly find desired pieces of data. In the simplest form, a database is composed of tables, columns

(called fields), and rows (called records or data). An example of a database is a vendor management table, which is organized to make it possible to quickly find a desired piece of data. The vendor management table can be considered a table, a storage container for information (Figure-4.2). Within this table is typically found four columns (or fields)—name, address, telephone number and e-mail address. Within each of these fields exists rows (or records), the simplest form of data in the database.



Vendor Management Table			
Name	**Address**	**Phone**	**E-mail**
ABC Traders	66, Mohakhali	02-8812481	info@abc.com
Computer Source	IDB Bhaban	02-8905147	info@cs.com
Times Int'l	Sec-5, Uttara	02-7794528	info@times.com
Continental	16, Kakrail	02-8868753	info@cont.com
SAP Software	Mumbai, India	02-8976544	info@sap.net

The basic structure of a database is quite similar to a Microsoft Excel spreadsheet wherein columns (fields) store row after row of records (data). The biggest difference between a database and a spreadsheet is simply that databases can contain multiple tables that are connected to one another through relationships. Thus, a database can be thought of as a much more complex, and ultimately much more useful, spreadsheet.

The database plays a key role in each SAP system, as it houses all the data that are used by that particular SAP component or product. Many brands of databases exist, making it easy for an IT shop to select a database vendor with which they are probably already familiar. Currently, SAP can use a variety of different brand name database releases ranging from very expensive and imminently flexible to very inexpensive and yet quite capable.

4.3 Business Benefits of Using SAP

Many businesses today use traditional information systems which have been developed to do some specific tasks and provide reports and analysis of different event that have already taken place into the business. Some systems provide information in a "real time" mode. Actually those systems have latest information in their database and can be used to control events. Typically, a company has various systems to control and manage different processes like production, sales and accounting.

Those systems have separate database and transfer information to another systems when it is required. So that it is a time consuming and not an integrated process. However, it is totally different in SAP. There is only one information system in the SAP. All application is able to access common data. If there is an event taken place into the business that will happen in transactions and store into the SAP and automatically the calculation is done by events in sales and production into the SAP. However, SAP structure considered as a "Best Business Practices".

Basically the company which implementing SAP actually adapts its operations to this software to achieve its efficiencies and power. The core benefits of using SAP are discussed here.

4.3.1 Integration

The most important benefit that Robi gets from this software is integration. The main aim to implement this system into the business operation is, it reduces data redundancy and redundant data entry. This software package is designed to allow any organization to operate variety of business processes within a single integrated information system.

4.3.2 Improve Alignment of Strategies and Operations

SAP helps Robi to run according to their strategy and plans because it gives right information in real time to identify any issue in early stage. Thus Robi can notice any opportunities proactively. By aligning workforce and organizational objectives, SAP helps any company to achieve its corporate objectives.

4.3.4 Improve Process Standardization

This enterprise system helps to improve the process standardization, efficiency and adaptability. On the other hand, it extends transactions, information and collaboration functions to broad business community.

4.3.5 Supporting Changing Industry Requirements and Reduce Risk

As business changes with the changes of the industry, Robi can easily modify anything by using this software because it is web based software to integrate end to end processes effortlessly. Robi can also solve complex business challenge with the help of SAP and that helps to attend their long term goal.

4.3.6 Improve Financial Management and Corporate Governance

It helps Robi to gain deep visibility into the organizational financial and management accounting functionality combined with business analytics so that Robi can increase their profitability, can improve financial control and also able to manage risk.

4.3.7 Reduce It Spending

As SAP helps to integrate all the functions within the organization so that it reduces the integration costs. On the other hand, now Robi does not need to buy different systems for different functions. One software SAP can do all the activities and thus it will help ROBI to reduce their IT cost.

4.3.8 Provide Immediate Access to Enterprise Information

SAP shows a new ways to the ROBI's employees' to access the enterprise information for their daily activities and they can easily access their required information in a very short time period.

4.4 Finance Modules of SAP

Financial Accounting (FI) and Controlling (CO) are independent components in the SAP system. Those modules are closely integrated with other Modules. It helps management for better decision making and strategic planning and those are the main functionality of SAP modules. The main benefit of SAP FI module is, it has the capacity to do all the accounting and financial works of an organization. The Financial Manager as well as

other Managers within any organization can review the financial position at any time by using this module. Indeed, ROBI can generate any financial statements within a very short period which is sometimes not possible for any legacy systems. Mostly FI document posting is generated or triggered automatically from other modules e.g. Material management (MM), Sales distribution (SD), Production Planning (PP), Project System (PS), Plant Maintenance (PM), Non SAP System through Interface. There are several sub-modules within FI module:

4.4.1 Accounts Receivables

We all know that accounts receivables records all account posting generated as a result of Customer sales activities. In SAP FI module those postings are automatically updated in the general ledger. By using this module ROBI can easily monitor the time duration required for receivable collection and that helps to generate customer analysis. This data comes from the Customer Master Modules, Sales and Distribution and Cash Management Modules and those are also integrated with this accounts receivables module.

4.4.2 Accounts Payable

As like Accounts receivable, accounts payable postings also generated in the General Ledger in SAP. Here, accounts payable payments are cleared by Bank Cheque. This data comes from the Vendor Master Modules.

4.4.3 Asset Accounting

Asset Accounting is utilized for managing Fixed Assets. This module allows ROBI to classify different assets and to set values for depreciation calculations in each asset class.

4.4.4 Treasury

Bank Accounting helps management to input bank transactions into the system and cash management. Each bank that ROBI deals with creates a Bank master inside their system. When a payment is received from a customer or made to a vendor via bank transfer, that time this file will be updated.

4.4.5 Reconciliation

When any transaction happened in those four master data file, there is a reconciliation process happened to enter data from those accounts to general ledger. In the reconciliation process, two set of records compares to each other to make sure they are in agreement.

4.4.6 General Ledger

General ledger is the main part of the FI modules of the SAP. All the posting has been recorded over here. And those postings are displayed what happen in present to make the up to date visibility of the business transactions.

4.5 Sap Financial Controlling Module

The SAP CO (Controlling) Modules actually provides important information to the decision maker for planning, reporting, to monitor the operation of business. It makes the decision making process easy because it provides high level of information to the Management. There are several components of the CO module. They are:

4.5.1 The Cost Element Accounting

The Cost Element Accounting component provides information about cost and revenue. Those postings come from FI to CO. The cost elements are the basis of cost accounting and display cost of each of the account that have assigned to the cost element.

4.5.2 Cost Center Accounting

Cost Center Accounting provides data on the costs that incurred by Robi's business. By using SAP, Robi has the ability to assign cost center to each department which is responsible for certain area of the business. Thus cost center can be created for different functional areas such as Brands, Finance, Human resources, Customer Development, Supply Chain etc. for a certain period of time.

4.5.3 Internal Orders

Internal Orders in SAP are used to track and control cost items. It helps Robi to track down costs of a specific job, service or task. This information helps Robi to identify different costs and helps to better decision making purpose.

4.5.4 Activity-Based Costing

By using SAP, Robi can easily find out the process oriented cost of any activity. It enhances Cost Center Accounting where it identifies different cost related to any activity. Robi can also use this to find out Product Costing and Profitability Analysis.

4.5.5 Product Cost Controlling

It helps management to analyze their product costs so that they can fix the price of that product. As it is a confidential issue, Robi do not share how they use SAP to for setting the price of the product.

4.5.6 Profitability Analysis

SAP allows Robi Management to review information with respect to the profits and contribution margin by business segment. For doing profitability analysis they use Account Based analysis and Cost Based Analysis. With SAP, they can analyze profitability by various dimensions such as product, market, customers, service or channel.

4.5.7 Profit Center Accounting

Profit Center Accounting helps Robi to figure out the profit or loss of the business. It helps Robi to measure the each segments contribution to the profit of the company and balance of the costs.

Chapter Five

Analysis: Role of SAP on Robi Axiata Limited

Due to the implementation of SAP, there are 10 major changes happened into the operation of the Supply Chain Department of Finance Division. Those are discussed briefly in below.

5.1 Vendor Database Management

Before implementing SAP to organization, company accustomed to use vendor management system. In a vendor management system, data was stored to each vendor about their supply to their customers separately. Major drawback of this system was organization could not be able to find a suitable vendor for them or to judge a vendor whether they will be capable to meet their requirement. As SAP is a common software for all the vendors as well as organizations, it is easy for them to find an appropriate vendor. However, they can judge, examine a vendor by their supplying report as all the data is stored centrally in one software.

- **Key Changes**

1. All buyers have information of all vendors.
2. Update can be made by any authorized buyer about vendor.

- **Benefits**

The main benefit is that any buyer can access the information of any vendor whenever they need. They don't need to go to other buyer for getting the information. In the software vendor evaluation score, information about black listed vendor, vendor's capability, unit price, product segmentation is also updated. So, it has become very easy for the buyers to choose the right vendors within seconds. Even, separate buyers don't need to ask for information from other vendors.

5.2. Payment Terms

Before purchasing anything for Robi, employees of supply chain management; means buyers sign a contract with vendors where each details of payment like price, qualtity, discount, method of payment (advance or deferral payment), payment terms and so on is mentioned. When a purchasing or sales document is entered for a vendor or customer, SAP automatically copies the information on the payment period, price list, and total

discount in the document. This information is used, to calculate the prices for the items, the due date of an invoice, or the total discount allowed etc. The payment term data can be changed manually in the transaction itself if a special agreement was made for that transaction. In addition, the information on the credit limit is copied from the payment term to the customer master record and then to the sales document, and can be used for a credit check.

- **Key Changes**

Previously it needed to check the whole contract to know the payment terms. Now the payment information is automatically loaded when the input is given.

- **Benefits**

The process is time-saving, easier as well as hassle-free for both the parties. In this process, details of peyment term need to input only once and then system purposely shifts information in those sections where it is needed. So, it doesn't require to input same data more than once.

5.3 Financial Planning

Before go live Financial Planning Process had been done by locally developed software named "Matrix" along with few allocations performed through ABACUS. Low level of integration was the problem of this system. And they were able to do planning quarterly basis. After go live, due to the application of BIIP (Business Intelligence and Integrated Planning) most of planning process is shifted to this Module which is more integrated and any one can use that for different purposes.

- **Key Changes**

1. From Matrix and ABACUS to BI-IP (Business Intelligence and Integrated Planning).
2. Now Robi has to do planning quarterly and monthly basis.

- **Benefits**

The main benefit that Robi gets in this process that it integrates different functions. They can construct the report more quickly as they don't need to assemble the data from different sources. On the other hand, data accuracy will also increase.

5.4 Procurement Orders (PO) Process

A purchase order (PO) is a commercial document and first official offer issued by a buyer to a seller, indicating types, quantities, and agreed prices for products or services the seller will provide to the buyer. Sending a purchase order to a supplier constitutes a legal offer to buy products or services. Acceptance of a purchase order by a seller usually forms a contract between the buyer and seller, so no contract exists until the purchase order is accepted. When Robi SCM employees generate any purchase order, they collect information from the SAP. As the supplier agree and a contract in between then is formed, the accepted purchase order is uploaded in the SAP as well.

- **Key Changes**

The soft copy of purchase order is uploaded in SAP so that anyone can access and check the information.

- **Benefits**

1. Purchase orders allow not only the buyer but also other employees of Robi SCM to clearly and explicitly communicate their intentions to vendors.
2. By going through purchase orders, other related departments like Accounts Department of Robi get help to manage payment for incoming orders and pending orders.

5.5 Monthly Business Update

SAP helps Robi to get monthly business report very easily. After inputting all the necessary information of a purchase order, SAP itself compare the price with previous orders whether there is a higher price or lower. So it is easy for organizations to know how much expenses they are incurring for this particular order. However, they are also being able to know how much they are saving or loosing than previous purchase. If current price is higher than before, they are expending more. Similarly lower price comprises a comparative lower expenditure.

- **Key Changes**

Previously the input was needed to be made manually. After implementing SAP, one input for one purchase order is enough.

- **Benefits**

Before implementing SAP, it was time costly to get a monthly report. Every time for generating a report, input was needed to be made. Moreover, the calculation was also needed to be made manually. But in SAP, it needs to give input once for a single order and the report is generated automatically. Even the calculation is also done into SAP automatically.

5.6 Product Delivery and Warehouse Planning

Purchase order is made in Robi corporate office, Gulshan-1 but their warehouse is located at Tongi, Gazipur. Sometimes it becomes difficult to communicate with employees of warehouse about upcoming orders. As SAP is there, employees at Tongi can get to know the orders and plan accordingly.

- **Key Changes**

1. Employees of both the offices can get all the necessary information through SAP.
2. Planning process moves based on the information that is updated in SAP.

- **Benefits**

Previously there was a communication gap regarding purchase order and delivery schedule between both of the offices. But now employees of Tongi office easily can get to know all details regarding product supply through SAP. So, they can handle and manage warehouse planning according to it. At the same time, employees of Robi corporate office can know about the capacity of warehouse.

5.7 Cost Determination through Bidding

When a tender is published by Robi employees for any kind of purchase, capable vendors bid for the tender providing best quality and lowest price that they can manage. After the end date of tender, all the biding information is inputted into SAP. Then the software automatically chooses the best bidder amongst all. So employees need not do manual analysis for this.

- **Key Changes**

Previously these data was to be inputted into excel, but now in SAP.

- **Benefits**

When the input was made in a shared excel sheet, no one knew who was giving input until that person disclosed. But in SAP, every person who is giving input is shared and every other can see that in their activity log. Moreover, those who views the quotation is also seen in activity log. So it is easily traced if any information is leaked outside.

5.8 Cost Centre Hierarchy

Old Cost centers were not hierarchy based. In the SAP the cost center is in hierarchy based where each and every category has a particular code.

- **Key Changes**

The old structure is replaced by Cost Centre Accounting which is comprised of 6 digits code as compared to the previous 4 digits code.

- **Benefits**

It helps to identify cost of each category. Thus Robi can access at the lowest level of the category to monitor and control the cost.

5.9 Payment Collection Terms and Process

Previously they used pre signed cheque book from customers. Now customer deposits the cheque based on Purchase Order (PO) sent to him.

- **Key Changes**

A significant change was involved the shifting of Pre-Signed Cheque Books (PSC) Customers to the new direct deposit arrangement. Now Customers receives their daily statement via e-mail, which is signify the amount outstanding after accounting for all the Sales Orders, Approved Credit Notes and any previous outstanding balance and this is sent by SAP automatically. This amount has to be deposited by the customer in a designated bank account of Robi on a timely basis.

- **Benefits**

It improves the cash flow of the Robi and speed up the total process. It also improves the accuracy level and saves time.

5.10 Profitability and Savings Analysis

Previously Robi was using ABACUS (for actual data) and Matrix (actual + forecast data) as a database to store the company results and performance related to the Profit and Loss Account. All the information and data was uploaded into Abacus and Matrix at month end from the ERP named MFG PRO. Now the Profitability Analysis (PA) module is used in a very specific way with several levels of assessment (products, customers, orders, company codes, Profit Centers etc). All the actual values from the different modules are now come to the PA module on a real time.

- **Key Changes**

Abacus and Matrix is being replaced by the SAP module.

- **Benefits**

As the data come from different modules into the PA module, it can be analyzed by various dimensions such as product, market, customers, service or channel. It also helps to monitor and manage the costs and pricing. Robi is also able to identify and understand issues quickly by using this module. Robi is able to do “what-if” and scenario based analysis in this Module.

Chapter 6

Findings

1. The most important benefit that Robi gets from this software is integration. It integrates the total business of Robi as each function of the organization has to give their entry into one business system.

2. By using SAP, Robi can advance their accounts payable, accounts receivables and Month end Closing process because the responsible personals of those accounts need to update in real time. Thus it improves discipline of operator to input transaction on time which is the most important thing for any finance department's employee. And it helps to reduce the time period required for doing Month end closing and makes it more accurate.

3. SAP improves the controlling and monitoring of financial process of Robi because all the data are now available into system and it is transparent and easy to access data/information when needed.

4. Reduce the cost of billing because it is automated and bill sends to the receiver via internet. Thus, it improves the service of suppliers and Robi can easily evaluate suppliers and customers by judging their delivery and payment schedule.

5. It increases the speed of data reporting across function and provides more detailed information and structured data. So that it helps to improve the accuracy on planning, forecasting and decision making.

6. SAP requires high level of understanding regarding its all applications. If anyone does not acquire that level of understanding that time it will be very difficult for him/her do this work in SAP.

7. SAP is interdependent software in which each department needs to give entry. If mistake done in one end, it has a great impact in total process.

Chapter 7

Recommendation

SAP is an interdependent system. Unlike the legacy system, this is dependent on other departments. In simple mistake in other end has a great impact on finance. Though SAP is a sophisticated and right software, it at most benefits depends upon discipline and proper understanding. In order to maximize the benefits of the business, Robi should ensure users have proper understanding, adequate authorization and sound knowledge in their respective business area. In addition management should ensure proper control and validation in the system in order to avoid any wrong posting and surprise during month end closing.

On the other hand, it is a new system implemented in Robi so that there must be various problems arises into the system after post Go-Live. So Robi management should take proper steps to identify those issues and resolve them immediately.

However, it might be very difficult for everyone to get clear understanding regarding SAP in the EUT sessions. Moreover, new employee will also join at Robi. So what Robi can do they can develop course curriculum for individual SAP role and give more training to those people who are not feeling comfortable to work into the software. So that, they can do the work at same speed with their team members.

Chapter 8

Conclusion

In conclusion, we can say that, SAP is a modular system that consists of individual applications called application modules. Application modules can be grouped together to include a component. All SAP components link into a central database which connects several business activities of the company and this central database is where all company data is stored.

SAP brings a new dimension in the operation of the Robi Axiata Limited. Although SAP helps Finance Division of Robi to improve their collection process, Month end Closing process, monitoring and controlling activities, reduce billing cost and speed up data processing, etc. but it requires high understanding level regarding SAP application and great discipline among the employee of the Robi Axiata Limited.

SAP is a powerful tool that integrates multiple business processes and functions into one comprehensive system. SAP reduces lack of integration across business line which will raise the risk of duplication, mistakes and inconsistency data. SAP provides different approach than their competitors in market. Each piece can operate independently from all other software. And the key benefit of using this approach is that companies can implement individual module that fits the company needs, and have the flexibility to add other module later when their business grows.

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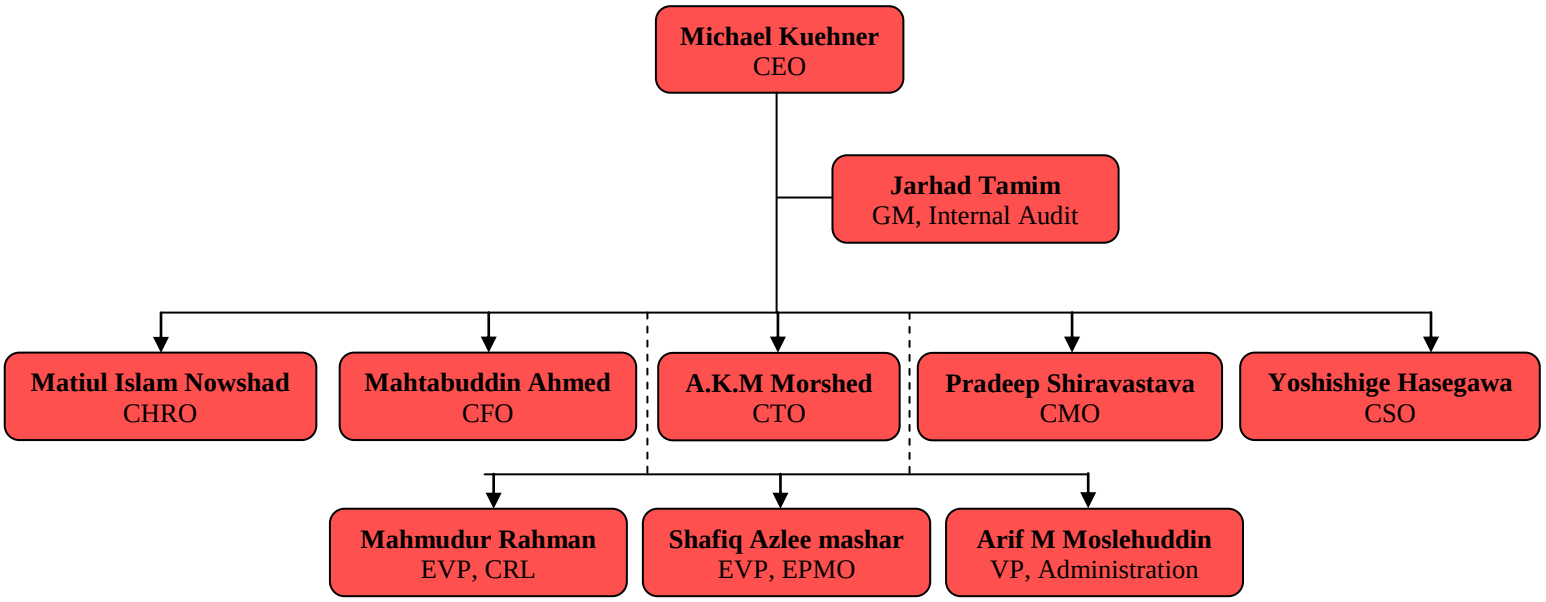
Appendix I

1. Top Management



Divisional Heads

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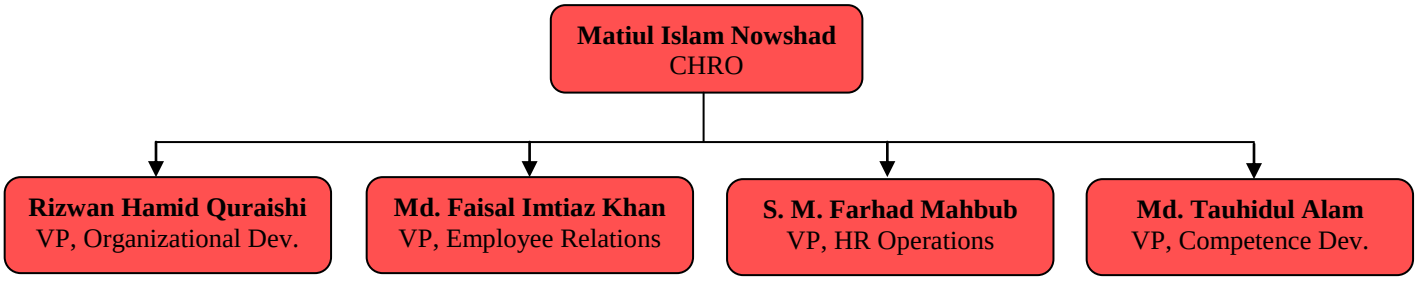

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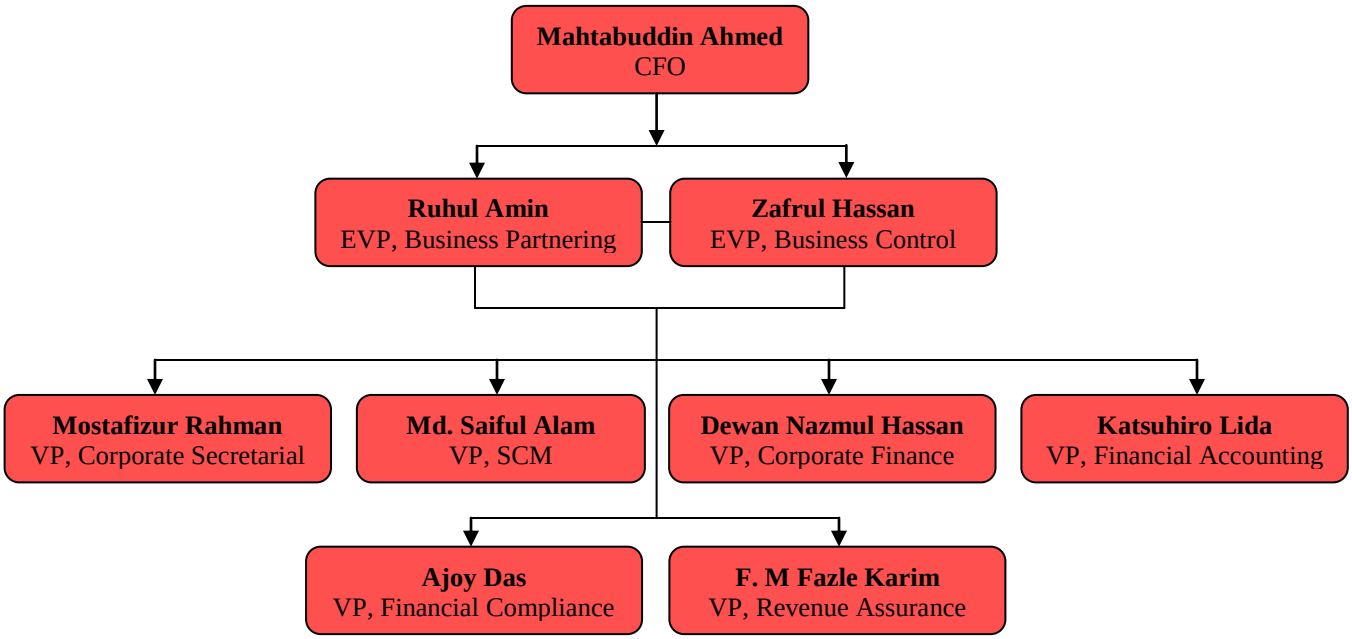

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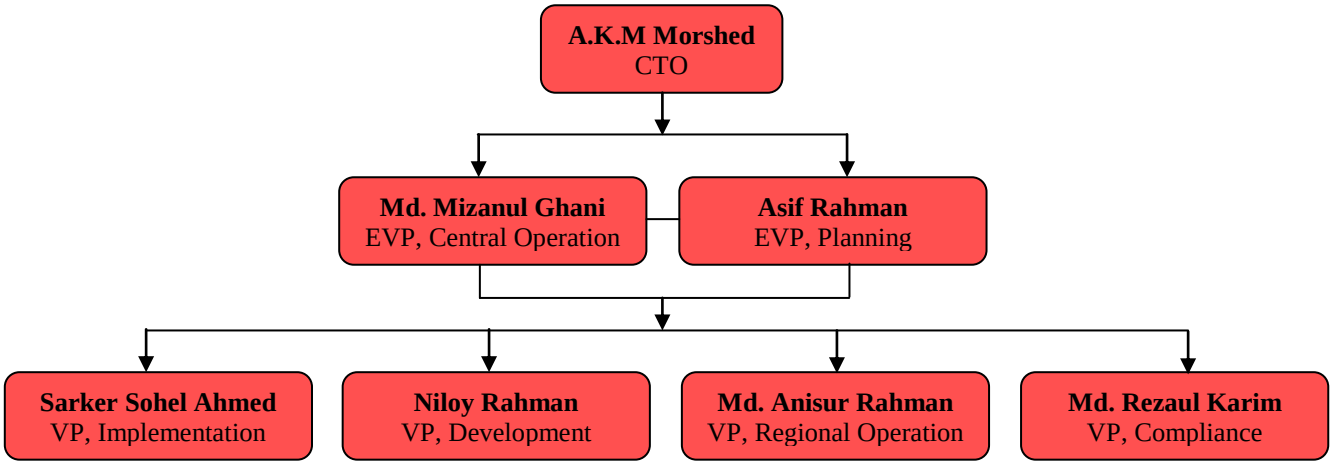
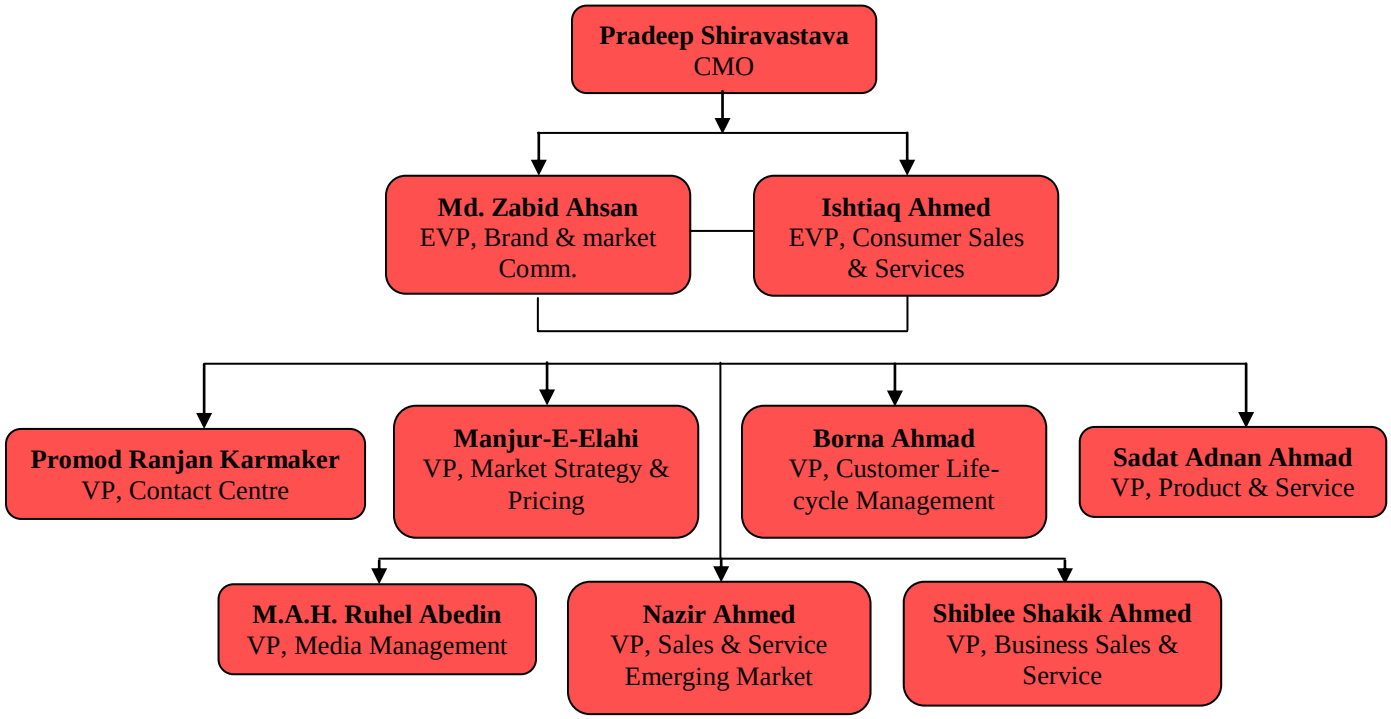
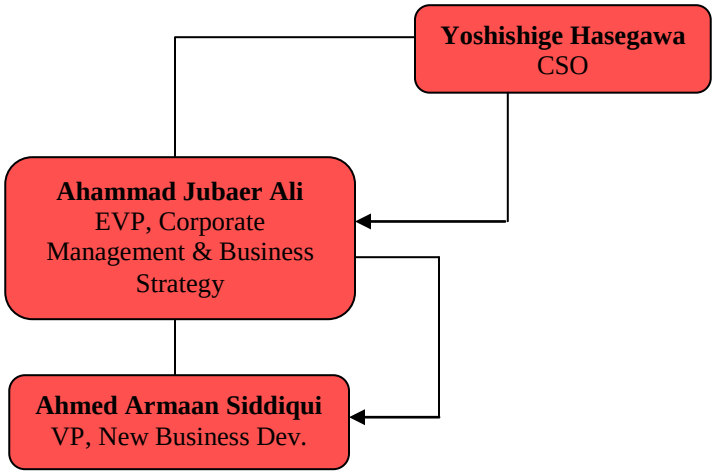


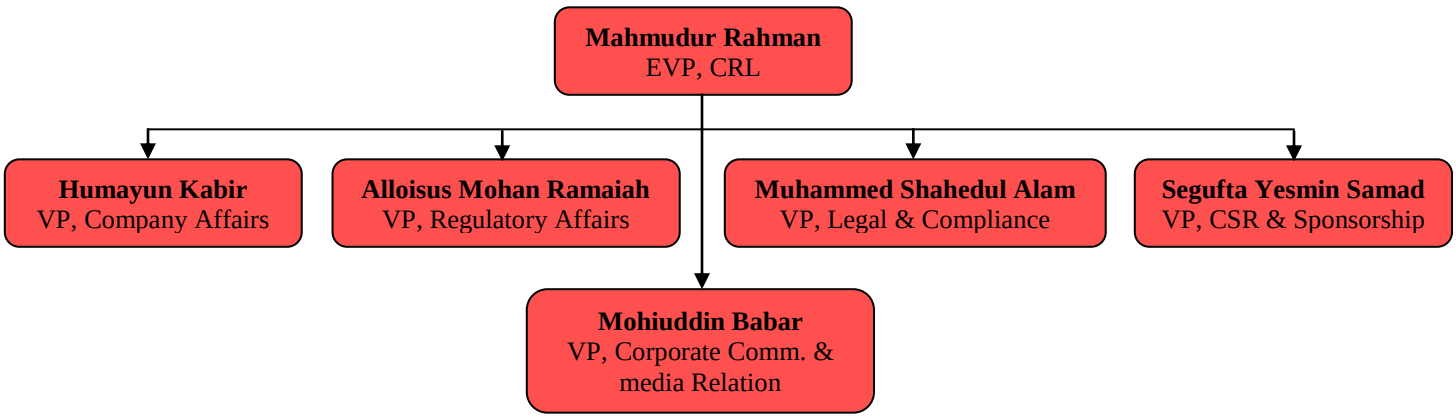
5. Market Operation



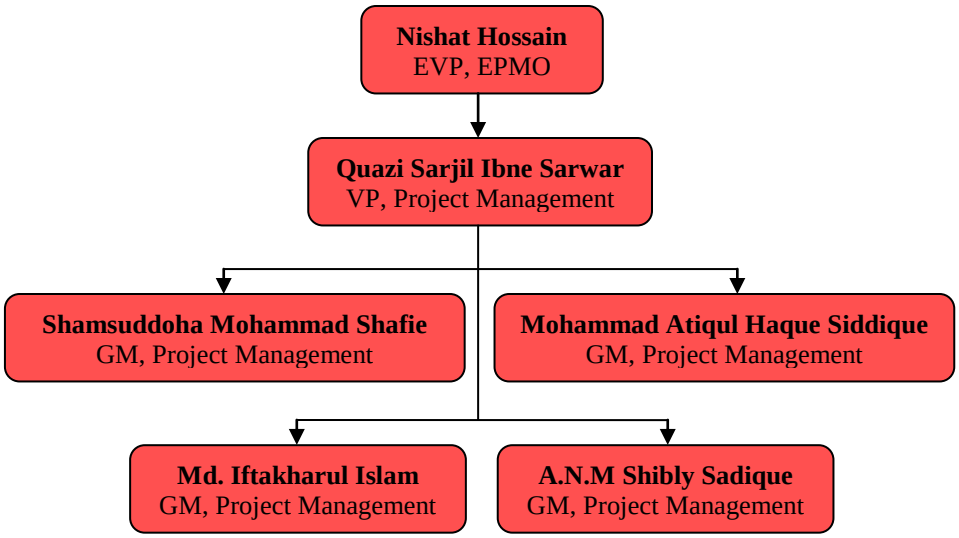
6. Corporate Strategy



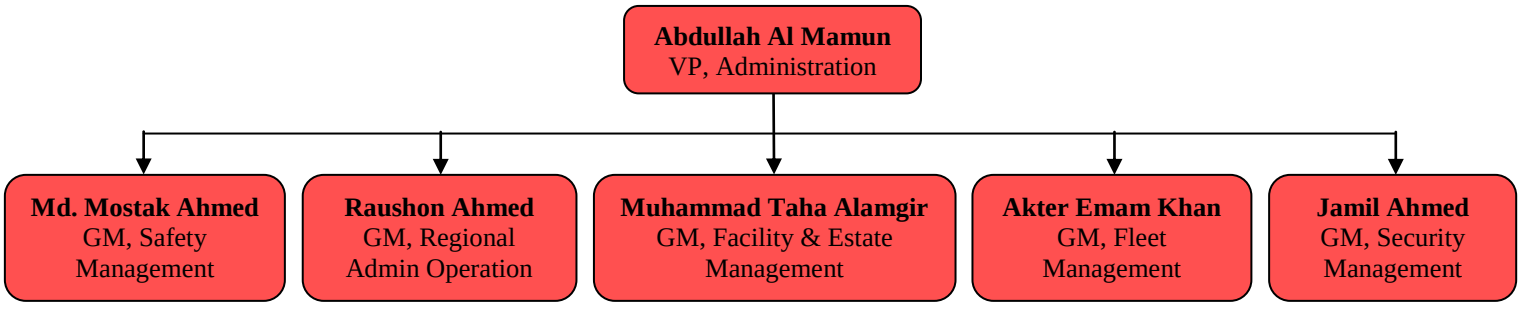
7. Corporate Regulatory & Legal



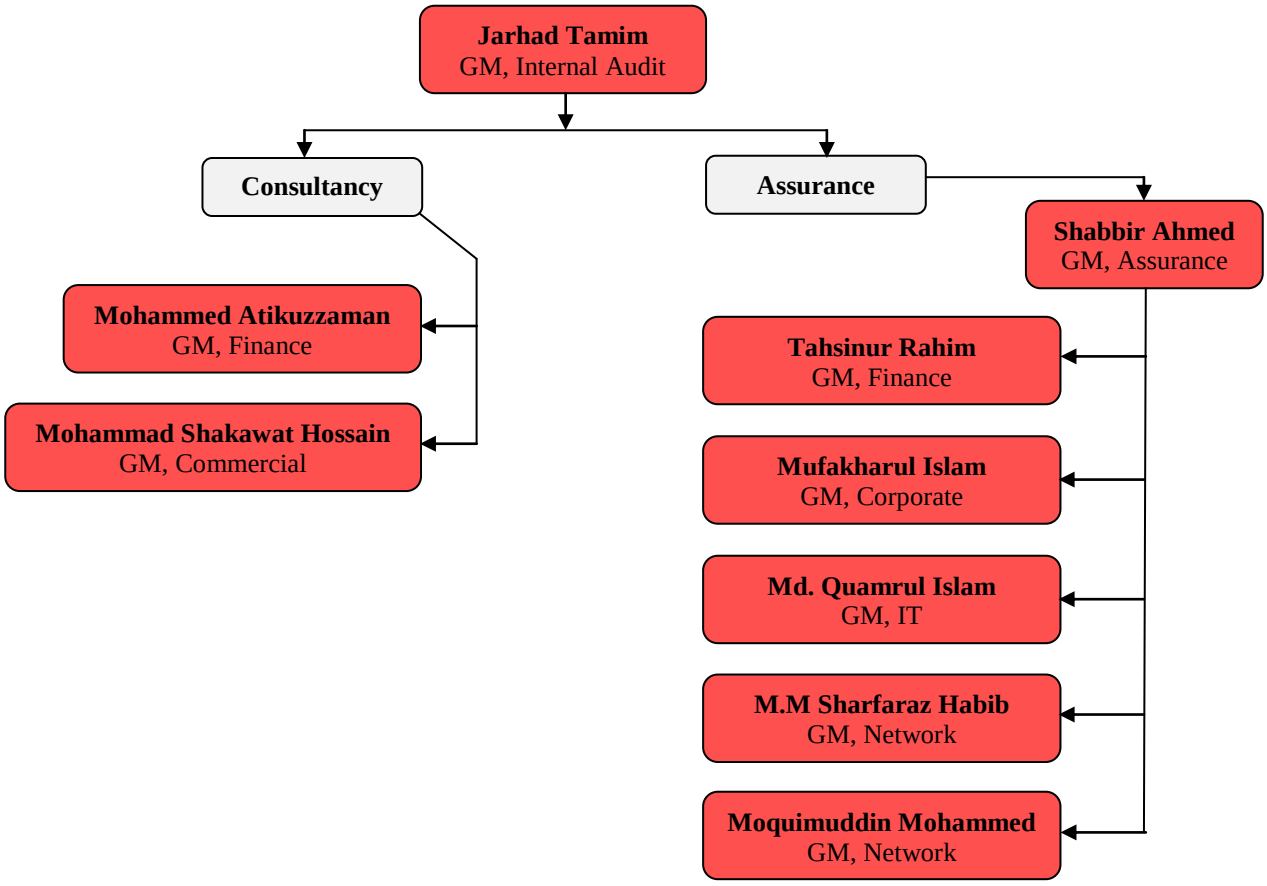
8. Enterprise Program Management Office (EPMO)



9. Administration



10. Internal Audit



Appendix II

Achievement & Recognition

Robi Axiata Limited; as a renowned telecommunication organization of Bangladesh has been awarded by different organizations for their continuous improvement in quality, excellence as well as development. Some important achievements & recognitions that brought Robi to continue their spirit are:

- Crossed the landmark of 2 crore (20 million) subscriber base.
- Reassessed and rewarded with ISO 9001:2008 certifications.
- Robi Axiata Limited, the leading mobile phone operator of the nation, has received "Star News HR EXCELLENCE AWARDS FOR INNOVATION IN HR".
- Leading mobile phone service provider Robi has been re-assessed and rewarded with ISO 9001:2008 certification. Robi received this internationally renowned Management Standard after complying with all requirements.
- Robi has been conferred the prestigious Frost & Sullivan Asia Pacific ICT Award 2010 for "Emerging Market Service Provider of the Year".
- Awarded the prestigious fund grant from GSMA MMU (Mobile Money for the Unbanked) in 2009.
- Crossing 10 million subscribers mark in 2009.
- Ranked within top 6 global comparable Telco's in A.T. Kearney benchmarking exercise in 2009.
- Cost optimization project saved 2 times of what was projected.
- Bangladesh Mobile Phone Businessmen Association (BMBA) Award 2008-2009 as the best service provider in Bangladesh
- The Weekly Financial Mirror –Samsung Mobile & Robintex Business Award 2008-2009 as the best Telecommunication Company.
- TeleLink Telecommunication Award 2007 TeleLink Telecommunication Award 2007" for its excellence in service, corporate social responsibilities and dealership management for the year 2006 in commemoration of WORLD Telecommunication Day 2007.

- Arthakantha Business Award Given by the national fortnightly business magazine of Bangladesh for its excellence in service in telecom sector.
- Financial Mirror Businessmen Award given by the national weekly Tabloid business magazine.
- Deshbandhu C. R. Das Gold Medal for contribution to telecom sector in Bangladesh.
- Beautification Award for exceptional contribution to the Dhaka Metropolitan city from Prime Minister Office on 13th SAARC Summit.
- Standard Chartered - Financial Express Corporate Social Responsibility (CSR) Awards 2006 for contribution in Education, Primary Health, poverty alleviation and ecological impact.
- Arthokontho Business Award 2006 for better telecom service provider in Bangladesh.
- Financial Mirror & Robintex Business award 2006 for its excellence in service, corporate social responsibilities activities throughout Bangladesh.
- Desher Kagoj Business Award 2006 for Corporate Social Responsibilities activities.
- TeleLink Telecommunication Award 2005 for its excellence in service for the year 2005.[1]

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