



INTERNSHIP REPORT ON

ROLE OF SAP IN CORPORATE FINANCE DEPARTMENT
OF EDOTCO BANGLADESH CO LTD

SUBMITTED TO
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LECTURER
BRAC BUSINESS SCHOOL

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Acknowledgement

I would like to start this research paper by acknowledging my gratefulness to the almighty Allah; without her blessings, I would not have been able to accomplish this report. I would also like to acknowledge and convey my heartfelt gratitude to the following people, for their continuous guidance throughout the completion of this report. First of all, I am deeply indebted to my honorable Faculty Adviser, Tanjina Shahjahan, Lecturer, BRAC Business School, who has guided and supported me with sincerity and patience throughout the whole work. Without her guidance, preparing this report would not have been possible. Finally, I would like to express special gratitude to my internship supervisor Mr. Sattyajit Kumar Dutt, Financial Specialist of Corporate Finance Division, of Edotco Bangladesh Company Limited. It was his encouragement, patience and valuable feedback that enabled me to complete this report.

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Letter of Transmittal

August 2nd, 2017

Tanjina Shahjahan

Lecturer

BRAC Business School

Subject: Submission of Final Internship Report

Dear Miss,

I have done my Internship Report on “The Role of SAP in Corporate Finance Division of Edotco Bangladesh Co Ltd.”. I am submitting the report along with this letter. My experience of working on corporate finance division at Edotco Bangladesh was a great pleasure.

This report contains the analysis of several aspects of SAP in Corporate Finance Division. I made this report according to the instruction and guideline you have given to me.

I am hopeful that your requirements and criteria will be fulfilled by this report. I will remain grateful to you for your utmost guidance.

Yours sincerely,

Alif-Uz-Zaman Khan

ID 13104199

BRAC Business School

Executive Summary:

In Bangladesh telecom companies has to deal with different vendors and clients for providing better service. Network connectivity is the most important part for providing better service. To make payments to the all the vendors timely is a complicated and lengthy process. I am preparing this report so that you can know about the solution of this problem. SAP system is used for ensuring high performance in vendor payment system and Edotco uses SAP for the vendor payment system. I am hopeful that this report will also explain about how SAP works and how complications are reduced in vendor payment system with the help of SAP.

Introduction:

The world is changing every day. Businesses all over the globe are following dynamic strategies to grow and survive. Each and every company is competing with each other for making their business more efficient and effective. Companies seek to take competitive advantages for survival and using ERP system. Multinational company Edotco Bangladesh Co Ltd. is also using SAP (ERP) system for their business operation.

Rationale for Internship:

A three months internship program in any company or organization is a must to earn Bachelor in Business Administration (BBA) degree. It helps a student to gain practical knowledge and experience. Internship program enhances self-confidence, communication skills, creativity of a student. They learn about working environment and corporate culture through internship. In other words internship program works as a bridge between university and corporate world for a student. A student has to submit a report after working for an organization as an intern to both on-site supervisor and academic supervisor. The report will describe the practical experiences of a student.

I did my internship at Edotco Bangladesh Co Ltd, Corporate Office, Rashid Tower, Gulshan-1, Dhaka and worked on “Role of SAP in Corporate Finance Department of Edotco Bangladesh Co Ltd.”

My on-site supervisor Sattyajit Kumar Dutt, Specialist, Corporate Finance, helped me to prepare this report on “Role of SAP in Corporate Finance Department of Edotco Bangladesh Co Ltd.”. Again with the approval of my academic supervisor Tanjina Shahjahan, BRAC University I made this report. She gave me proper guidelines and instructions to prepare this report.

Background of the Topic:

Edotco Bangladesh Co Ltd. is a new business entity in Bangladesh. They use SAP software for providing better service. SAP provides Edotco Bangladesh to keep

Objective of the Report:

The main objective of the report is to identify the impact of SAP on Corporate Finance Department of Edotco Bangladesh Co Ltd.

Methodology:

Information was collected in two ways. The sources are (1) Primary Source and (2) Secondary Source

Primary Source:

1. Working experience during my internship period from my on-site supervisor.

2. Information and document collected from other officials from corporate finance team

Secondary Source:

Secondary data was also collected from different websites and articles. Organizational overview information are mostly collected from secondary data. Official website of Edotco Bangladesh is www.edotcogroup.com.bd

Limitations:

Every organization has its own confidential information which they don't want to reveal. Same goes for Edotco Bangladesh. Preparing this report I had to face few limitations

1. Company Policy about confidential information
2. Lack of cooperation from employees
3. Low level of knowledge about total SAP applications

Organization overview:

Background of Edotco Bangladesh Co Ltd.

Established in 2012, edotco is the first regional and integrated telecommunications infrastructure services company in Asia, providing end-to-end solutions in the tower services sector from tower leasing, co-locations, build-to-suit, energy, transmission and operations and maintenance (O&M).

With a regional portfolio that includes over 25,000 towers across our core markets of Malaysia, Sri Lanka, Bangladesh, Cambodia, Pakistan and Myanmar, we strive to deliver outstanding performance in telecommunications infrastructure services and solutions. Our value-added services are supported by state-of-the-art real time monitoring service, echo, which has improved field operations while maximizing operational efficiencies in terms of battery, energy and fuel consumption for telecoms infrastructure.

Through our operations in developing Asian economies, the Group has established a strong track record in nation building. edotco has progressively invested in industry best practices, providing a broad portfolio of infrastructure solutions and offering value-added services to enhance efficiencies and connectivity for communities. At edotco, we are committed to conducting our business in a responsible and sustainable manner for the benefit of our customers, employees, communities and developing nations.

Situation in Bangladesh:

Edotco Bangladesh Co. Ltd was established in June 2013 as a subsidiary of edotco Group with the objective to provide communications infrastructure services to customers and in our bid to be the one stop centre for telecommunication sites and bandwidth services in Bangladesh.

With a footprint of over 8,200 sites nationwide, edotco Bangladesh product offerings include a complete range of site portfolios from Ground Based Sites, Rooftop Towers, In-Building Solutions (IBS), Cellular-on-Wheel (COW), Custom Built sites and solar energy.

Corporate office of edotco Bangladesh is located at 10th-12th Floor, Rashid Tower, House 11, Road 18, Gulshan-1, Dhaka-1212, Bangladesh.

Vision and Mission:

Vision:

- To establish themselves as a globally admired World class Infrastructure brand

Mission:

- Cover the whole country with their network system.
- Providing best services for their customers.

Value Proposition:

At edotco, we combine best-in-class services with holistic operational approach from infrastructure to innovative solutions and end-to-end managed services. We deliver key value in several areas through innovation, rationalization, optimization and automation enabled by our people, products and services.

We Deliver Connections

Our broad portfolio of over 17,000 towers across Asia, allows us to provide diverse array of innovative solutions to meet the demands of communities & businesses.

We Go Beyond Towers

Providing innovative solutions from tower designs, in-building solutions and energy, bridging the gap in keeping communities & industries connected.

We Synergize for Success

Our business models develop and offer shared success to our partners.

We Are Committed To the Future

We evolve the business of connectivity for sustainability, making a positive impact on the environment and lift the limits for a more connected tomorrow.

Edotco's Values:

- Uncompromising Integrity
- Exceptional Performance
- Sustainability
- Service Excellence
- Cost Champion

Divisions and Departments:

There are 4 divisions at edotco Bangladesh and each has several departments. Managing Director is the head of the company. At edotco Bangladesh Directors controls each divisions and General Managers creates a bridge between directors and employees. There are Managers, Specialists and Executives to perform the task given by the top management. Little description of each division of edotco Bangladesh is given below.

Sales and Marketing

Generating revenue and increasing market share are the main responsibility of Sales and Marketing division. However, they also contribute to the growth and profitability of edotco Bangladesh. This division also plays a role on promotions & advertisements, media publications and organizing events to help the organization.

Finance

In every business Finance division plays the most vital part. In edotco Bangladesh financial accounting, compliances management, payment, creating salary sheet is done by Finance division. There are four departments in finance division at edotco Bangladesh, Revenue Management, Fixed Asset, Accounts payable and Corporate Finance.

Human Resource

HR department does the same activities as other organization like recruiting, performance appraisal, providing training, monitoring employee behavior. HR also motivates the employees and transfers salary to employees. Organizational development and maintaining relation is another responsibility of Human Resource Division of edotco Bangladesh.

Operations and Engineering

Edotco Bangladesh is telecom service company so operation and engineering division is very important here. Making policy and providing guidelines are the core duties of operation department. Operations managers can take disciplinary action against the employees who break rules. Engineering department works to accomplish better maintainability, reliability and availability of necessary equipment by departmental budget and implementing engineering concepts.

Edotco's Product:

Infrastructure:

Edotco's primary product is to provide infrastructure solutions and tower solutions to various telecom operators. In Bangladesh there are more than 17000 infrastructure of edotco. They offers end-to-end coverage within their network.

- In Building Solutions (IBS)
- Transmission Connectivity
- Towers
- Rooftops
- Special Structures

Experience as an Intern:

Working for a multi-national company is always satisfactory and fun. I am grateful to the Almighty that I got the opportunity to do my internship in a multi-national company called edotco Bangladesh Co Ltd. Experience I acquired from this internship period was significant. I have briefly explained these experiences here in this report.

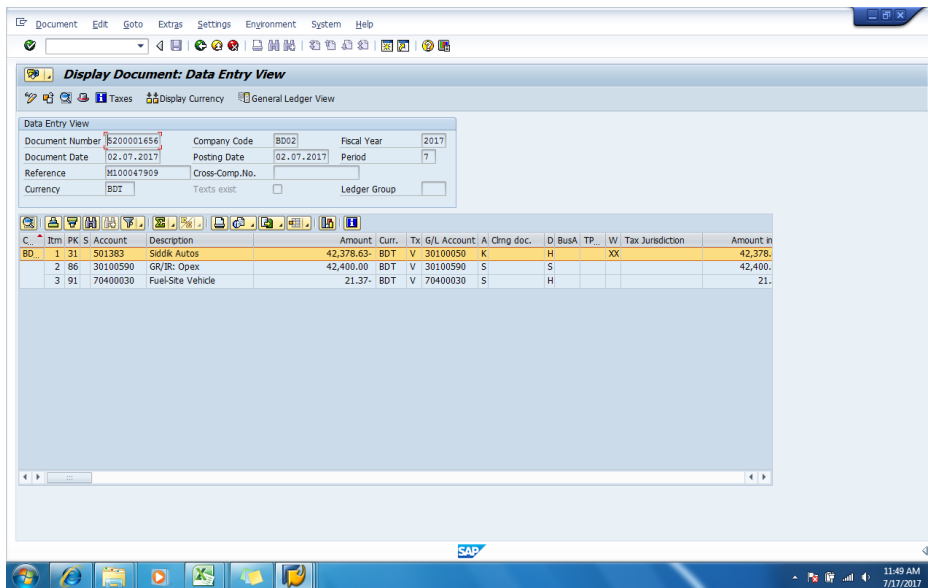
I worked with the Corporate Finance team of Finance division of edotco Bangladesh. Internship period was three months. Normally every team and every member was given specific duties to be done. Everyone does their job with utmost cooperation with one another. Hopefully these learning will inspire me in my future life.

My Job Responsibility as an Intern

I have worked for Corporate Finance Department along with my supervisor at Edotco Bangladesh. I worked on SAP and did other day to day activities as my supervisor told me.

SAP Payments:

After checking the VAT & Tax amount I gave payments through SAP. If there was any payment block I used to withdraw them from system. From data excel I used to take the amounts and put them into SAP system and following the procedure for giving payments.



The screenshot shows the SAP 'Display Document: Data Entry View' window. It displays document details for document number 200001456, company code B002, and fiscal year 2017. The document date is 02.07.2017, and the posting date is also 02.07.2017. The reference is M100047909. The currency is BDT. The table below shows the document items:

C.	Item	PK	S	Account	Description	Amount	Curr.	Tx	G/L Account	A	Cmg doc.	D	BusA	TP	W	Tax Jurisdiction	Amount in
BD	1	31		501383	Siddk Autos	42,378.63	BDT	V	30100050	K		H		XX			42,378.63
	2	86		30100590	GR/IR: Opex	42,400.00	BDT	V	30100590	S		S					42,400.00
	3	91		70400030	Fuel-Site Vehicle	21.37	BDT	V	70400030	S		H					21.37

Document Edit Goto Settings System Help

Post Outgoing Payments: Header Data

Process open items

Document Date: [] Type: [KZ] Company Code: [BD02]
Posting Date: [17.07.2017] Period: [7] Currency/Rate: [BDT]
Document Number: [] Translatn Date: []
Reference: [] Cross-CC no.: []
Doc.Header Text: [] Trading Part.BA: []
Clearing text: []

Bank data

Account: [] Business Area: []
Amount: [] Amount in LC: []
Bank charges: [] LC bank charges: []
Value Date: [17.07.2017] Profit Center: []
Text: [] Assignment: []

Open item selection

Account: []
Account Type: [KZ] ☐ Other accounts
Special G/L ind: [] ☒ Standard OIs
Pmnt advice no.: []
☐ Distribute by age
☐ Automatic search

Additional selections

☒ None
☐ Amount
☐ Document Number
☐ Posting Date
☐ Dunning Area
☐ Others

Document 1500003890 was posted in company code BD02

SAP

11:47 AM
7/17/2017

Database Management:

After giving entry into the system Edotco sends payment letters to several banks. Bank officials received those letters. Afterwards I kept those received copies with its respective bills. Than sorting the bills according to received date and input those information into database. At the end I sent those bills into warehouse after packaging them.

Vendor Serve:

Vendors used to visit Edotco's office for providing and recorrecting VAT chalan. Edotco gives payment in two ways (1) EFTN and (2) Accounts payee cheque. Vendors visited the office to collect their cheques. I as an intern used to serve them every office day from 2 to 5 pm.

Vat & Tax input:

I had to change the VAT & Tax amount of every bill. Accurate amount had to be put in SAP for proper payment. Electricity and few service bills did not have to pay any VAT & Tax.

Document Edit Goto Extras Environment System Help

Change Document: Line Item 001

Additional Data Withholding Tax Data

Vendor 501383 Siddik Autos G/L Acc 30100050
Company Code BD02 927
edotco Bangladesh Co. Ltd Doc. no. 5200001656

Line Item 1 / Invoice / 31
Amount 42,378.63 BDT
Tax code V0

Additional Data Days/percent

Change Withholding Tax Information

Name of w/hld.t...	W/t...	W/Tax Base	W/Tax Amt	W/tax base LC	W/Tax Amt LC
Sec 52 Payment t...	A1	42,378.63		42,378.63	
VAT at Source (N...	V3	42,378.63		42,378.63	

SAP 11:49 AM 7/17/2017

Printing Cheque:

Corporate cheques were given by different banks to Edotco Bangladesh. After giving proper information and amount I used to print vendors, rent, and electricity cheques through SAP.

EFTN :

Another method of payment was EFTN. After giving input into system letters were to sent to banks for transferring the amount to respective accounts.

Data Entry:

When corporate finance team used to get any bill I used to update that into excel file. Every bill must have top sheet on it.

Analysis: Role of SAP in Edotco Bangladesh Co Ltd

Payment Process:

Edotco used to give cheques to the vendors, clients, customers and employees which were signed and checked by the general managers or the director of finance department. After installing SAP these payments are automatically done and deposited by EFTN and Standard Chartered Bank payment procedure.

Key Change:

Customers and vendors receives day to day update of their payment statement through e-mail.

Benefits:

It saves a huge amount of time and the whole procedure speeds up. Less errors are occurring because of this. Cash flow of Edotco Bangladesh also improving.

Warehouse Planning and Product Delivery:

Orders are made from corporate office, Gulshan avenue but Edotco has it's warehouse at Savar. So it was very difficult for the warehouse management to know and communicate about future orders. After the installation of SAP at Edotco, it became much convenient for both the corporate and warehouse officials of being updated and know about the upcoming plans.

Key Change:

Planning updates and needed information reaches both Corporate and warehouse offices very quickly with the help of SAP.

Benefits:

Both offices never had synchronization before installing SAP. Delivery schedule could not be maintained properly thus customer satisfaction was going down. But after SAP took over the situation changed. Warehouse official can easily get the needed information about orders and prepare themselves according to that. Again through SAP the head office official know about the warehouse capacity and capability.

Financial Planning:

Financial plannings of an organization should be integrated and easily accessible. Before installing SAP Edotco Bangladesh used to use "Matrix" software which was developed in Bangladesh. This software was not integrated enough and had few other limitations. After installing SAP now planning process are much more integrated and it can be used for several purposes by every employee.

Key Changes:

Planning has to be done on quarterly and monthly basis. Earlier Edotco used Matrix but now they use SAP software.

Benefits:

Different types of reports are generated quickly as data's are already assembled and ready to use. Several functions are integrating together now. Errors have been decreased because of installing SAP at Edotco Bangladesh.

Payment Agreements:

Vendors have to follow few rules and regulations before making any dealings. Buyers has to sign contracts with the vendors in which details about payment method, payment terms, price methods, discount etc are included. These agreements are strictly monitored by Edotco Bangladesh. Information of these agreements gets updated instantly in SAP software. These information are very effective while analyzing and calculating different payment terms and agreements.

Key Change:

Information regarding payment are generated automatically because of SAP. Earlier one had to go through the contract paper for details.

Benefits:

Inputs are given once and information are ready for use where it is needed. It saves huge amount of time and easy to use.

Vendor Database Management:

Finding competent vendor is a challenging job for any organization and its buyers. So every company alike Edotco keeps database for every single vendor so that they can analyze if a vendor will be able to meet the requirements. SAP software helps edotco to find competent vendor as it has the capability to analyze the data and supplying reports that has been stores in it earlier.

Key Change:

The buyers have access to all the vendor relates information. Buyers can also give their feedback and update information about the vendor.

Benefits:

A company should always be friendly to its buyers. Here SAP helping Edotco's buyers to get all needed information of any vendor anytime. Using SAP organization monitors vendor's

performance, vendor's capacity, product segmentation. It also gives notifications about black listed vendors. Thus SAP made life easier for the buyers to select the appropriate vendor quickly.

Monthly Update:

For better performance an organization must generate monthly business report. After installing SAP it became very easy for Edotco to generate business reports every month. All it needs is the information of current price of purchase orders to be input into the system and it automatically does the analysis if there are any other better alternatives. SAP also identifies the overall expense and savings than previous purchase.

Key Changes:

Earlier manual input of the information or data was needed to prepare a report. Now, to prepare a purchase order you have to give input once.

Benefits:

SAP made it very easy for Edotco to generate reports as it has to give input only once. It saves time and single person can do the whole process. In SAP even calculations are done automatically.

Findings:

1. SAP provides easy access to data and information when needed for Edotco employees.
2. SAP integrates overall business together which helps business to grow.
3. Effectiveness and efficiency increases because of using SAP.
4. Automatic update of different accounts is done by SAP. Accounts payable, accounts receivables, month end closing data are essential and need to be updated timely. SAP makes it accurate and saves time of the employees of finance department of Edotco.
5. Each department has to give data entry interdependently so mistakes in any of the departments can cause difficulties in whole process.
6. It needs proficiency to work with SAP as it has several attributes for different departments. New employees face problems initially to work with SAP.
7. Data and information can be controlled and monitored better with SAP as everything are stored into the system.
8. Edotco's service towards it's suppliers and customers have improved as SAP constantly monitors the delivery and payment schedule properly. Also billing cost reduced because of automated system.
9. SAP increases the ability of employees to plan, forecast and make decision more accurately as it provides more detailed and structured data and information to its users.

Recommendation:

1. Edotco must hold more and more workshop and training program on SAP and its usage.
2. SAP is very costly software so its user must be selected accurately.
3. VAT and Tax rates are a bit complicated for vendors so proper VAT and Tax rate should be there for better understanding.
4. Edotco has to make payment of electricity and fuel bills within a day and these payments are huge in numbers. That's why other payments gets postponed. So Edotco can plan a way out to collect those bills as early as possible and make the payment.
5. If anyone makes any mistake while giving payment than revising or cancelling that process is very time consuming and complicated. Edotco management can take a look into this problem as mistakes are a part of the work.
6. Finance department can be more accurate regarding disbursement date.
7. Vendors have to visit Edotco's office to get update about confirmation of payment. Edotco should take steps so that vendors get direct notification of payment.

Conclusion

SAP is a useful tool by which different business processes and functions integrates together. SAP brings a new payment process to Edotco Bangladesh Co Ltd, month end closing process, monitoring and controlling activities, reduce billing and speed up data processing. Key benefit of using SAP is that companies can execute individual module that fits the company needs and have the flexibility.

References:

1. <http://edotcogroup.com/>
2. <http://edotcogroup.com.bd/>
3. <http://sapbrainsonline.com>