Profit Center Group in SAP | Define Profit Center Standard Hierarchy

The following sap co tutorials guides you how to create profit center group in SAP and what is profit center standard hierarchy in SAP.
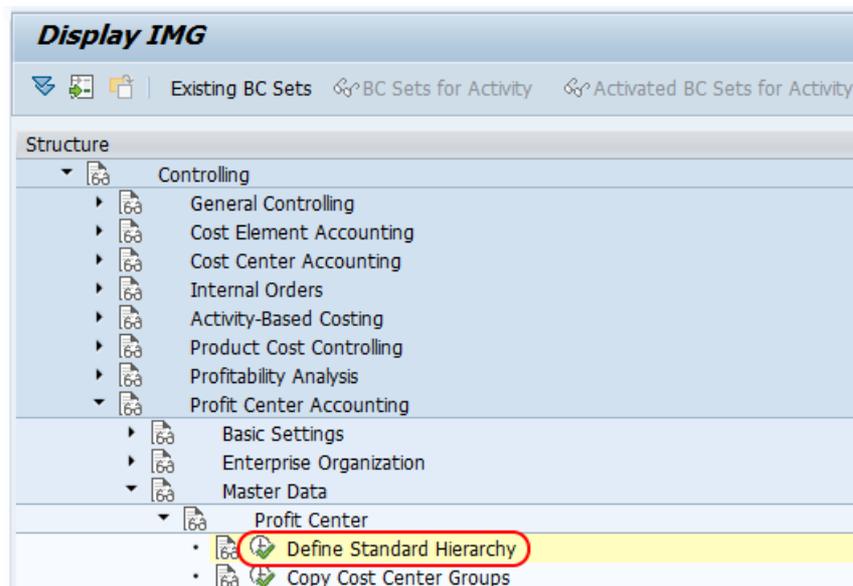
Profit center standard hierarchy in SAP controlling enables the grouping all the profit centers like a tree structure. The definition of standard hierarchy for profit center is mandatory as you need to assign the profit center to a particular standard hierarchy. Maintaining all the profit centers of controlling area in one hierarchy that enables in reconciliation process.

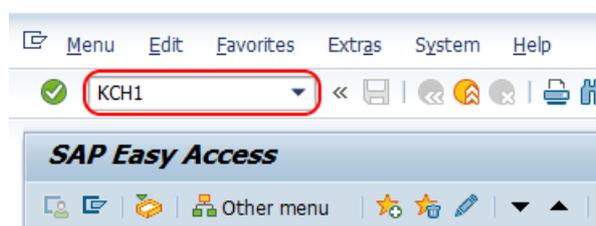## How to Create Profit Center Group in SAP

You can create standard hierarchy for profit center in SAP controlling area by using transaction code TKA01 or using SAP IMG path.
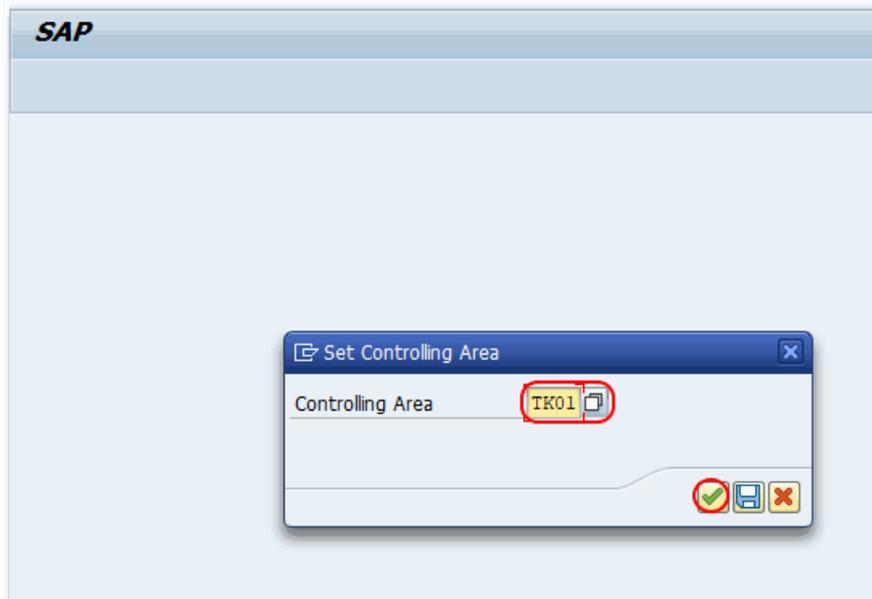
☐   *SAP transaction code: – KCH1*

IMG Menu Path: – Spro >> Controlling >> Profit Center Accounting >> Master data >> Profit Center >> Define Standard hierarchy.

Step 1: – Enter sap transaction code "KCH1" in the SAP command field and click on execute.

Step 2: – Now enter SAP controlling area for configuration of standard hierarchy.

Step 3: – On create profit center group initial screen, enter profit center group key of standard hierarchy for controlling area.

Press enter to continue.

Step 3: – On create profit center group structure screen, update the following details.

1. Enter name of profit center group.
2. Click on lower level option for creation of profit center standard hierarchy.
3. Now assign profit center in the nodes as per hierarchy level.

After updating the details, click on save button and save the configured details.

Successfully we defined profit center standard hierarchy levels in controlling area.

SAP CO

⊩ SAP CO Tutorial

Basic SAP CO Settings

⊩ Maintain controlling area

⊩ Assign Company code to controlling area

⊩ Define number range interval for SAP co documents

⊩ Maintain Versions

SAP CO Cost Center Accounting

⊩ What is SAP Cost center accounting

⊩ Create Cost center

⊩ What is cost element accounting

⊩ Create primart cost elements

⊩ Create cost element group

⊩ Create secondary cost elements in SAP

⊩ Activate cost center accounting

⊩ Define cost center categories

⊩ Define cost center standard hierarchy

SAP CO Profit Center Accounting

⊩ Create dummy profit center

⊩ Define profit center group

⊩ Maintain Profit center standard hierarchy

SAP CO cost element Accounting

SAP CO Internal Orders

SAP CO Profitability Analysis

SAP CO Reports, Tables

SAP TCodes

⊩ SAP TCodes

⊩ SAP CO TCodes