How to define a business group in Oracle EBS

This guide shows you how to define a business group in Oracle EBS (Oracle E-Business Suite). The business group is the top-level organization. You create it in the Organizations form, classify it as a business group, and complete its Business Group Info. When you finish, you have the top-level structure for your organization's HR and financial data.

Prerequisites

Before you begin, make sure you have the following:

- Permission to create organizations in your Oracle environment.
- Access to the Purchasing or Inventory responsibility. This guide uses "Purchasing, Vision Operations (USA)".
- A location already created for the legal entity. This guide uses **ABC Company Address**.

Step 1: Understand the organizational hierarchy

The business group sits at the top of the Oracle organizational structure. The structure has these layers:

- Business Group (top layer)
- Legal Entities
- Ledgers (one ledger can have multiple operating units)
- Operating Units (one operating unit can have multiple inventories)
- Inventories (one inventory can have multiple sub-inventories)

Step 2: Switch to the appropriate responsibility

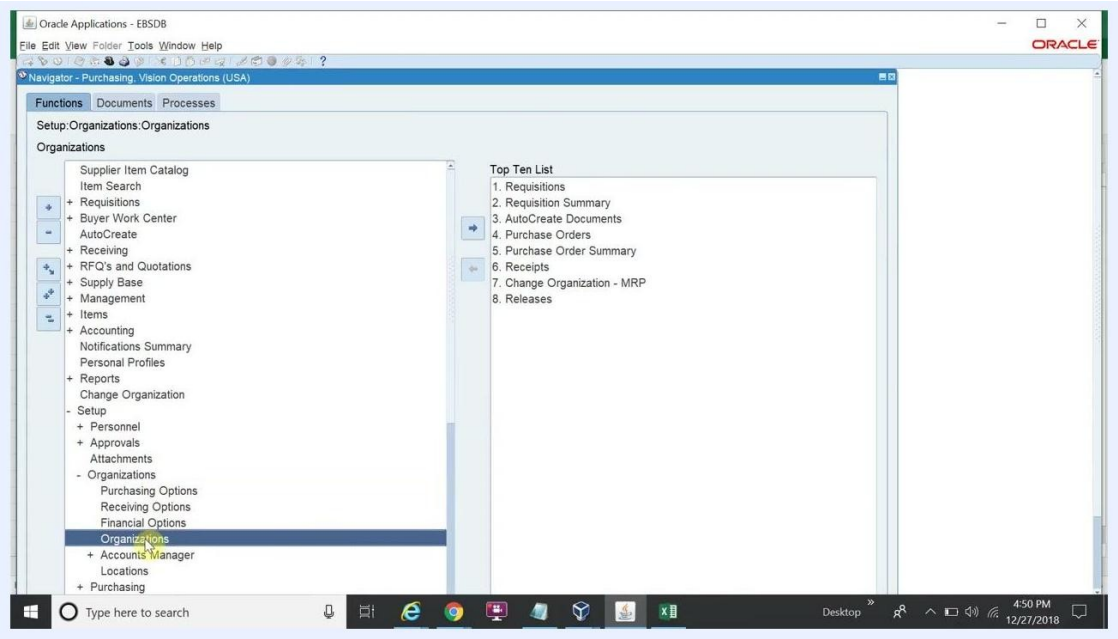
You can use either the Purchasing or Inventory responsibility to create a business group. This example uses the "Purchasing, Vision Operations (USA)" responsibility.

Step 3: Open the Organizations form

1. In the Oracle Applications Navigator, expand **Setup** > **Organizations** > **Organizations**. You find this path in the left navigation pane under the Purchasing responsibility. The right pane shows the "Top Ten List" for quick access to common functions.

2. Click **Organizations** under the **Organizations** submenu.

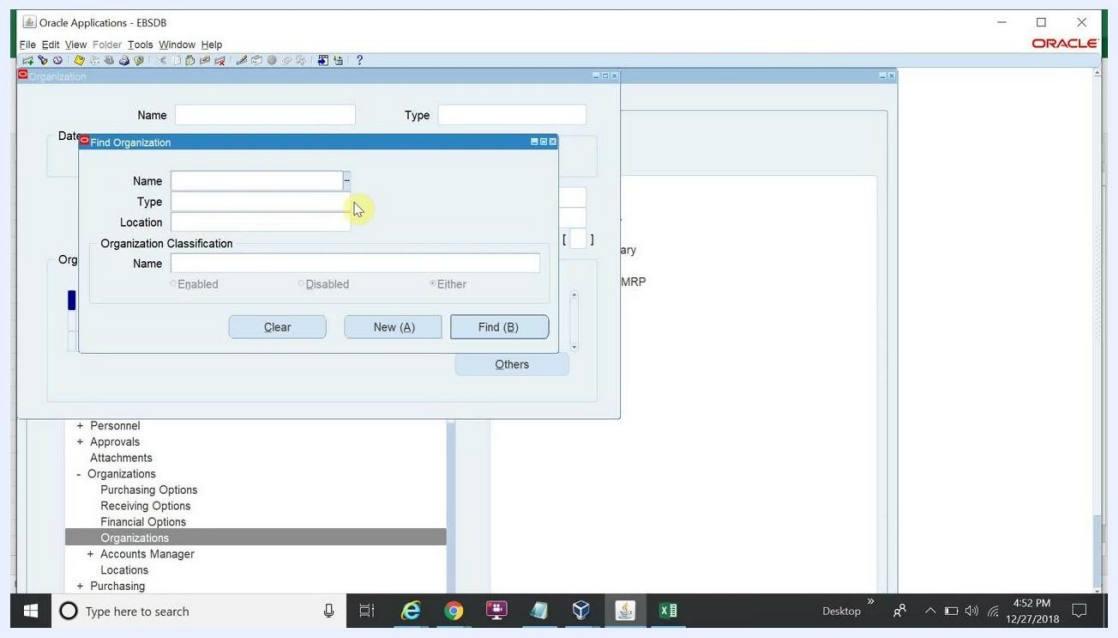
The "Find Organization" dialog box appears.



Oracle Applications Navigator with the Setup > Organizations > Organizations menu path selected under the Purchasing responsibility

Step 4: Start a new organization

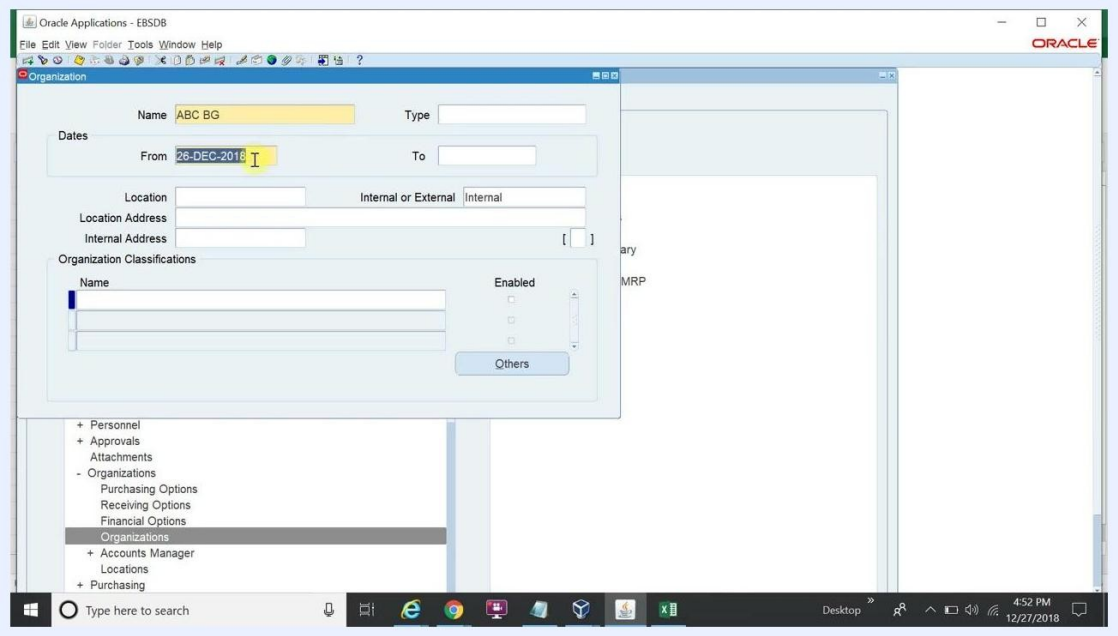
In the "Find Organization" dialog, click **New (A)**. The "Organization" form opens for data entry.



Find Organization dialog with the New (A) button highlighted

Step 5: Enter the business group name

Click the **Name** field in the "Organization" form and enter **ABC BG**.



Organization form with ABC BG entered in the Name field

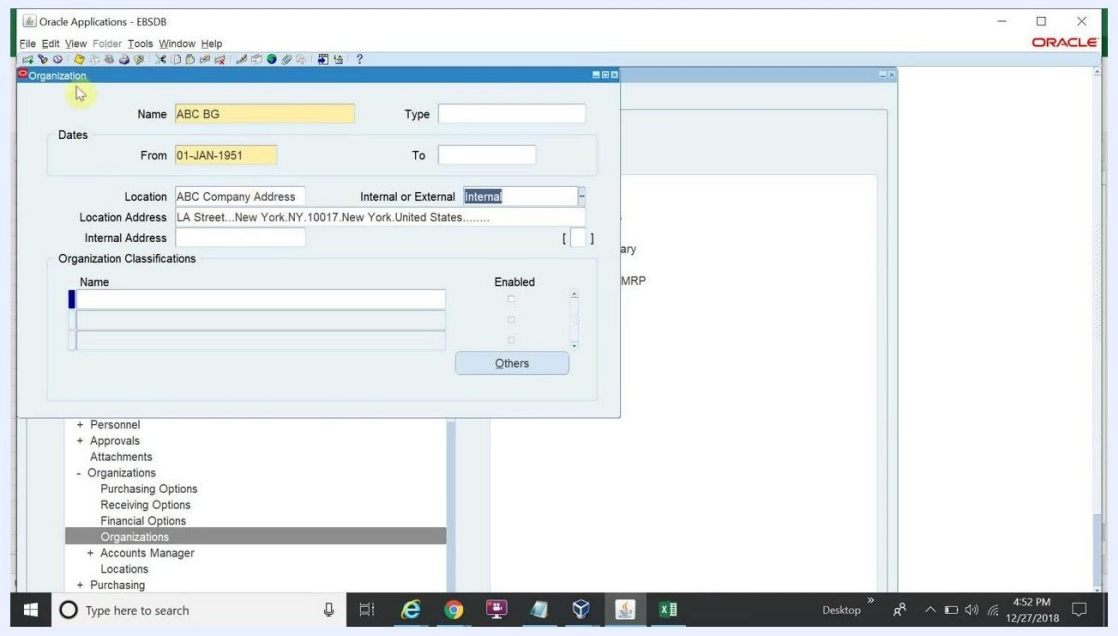
Step 6: Set the organization dates

Make sure the **From** date is set. For example, use 01-JAN-1951 or the date your organization requires. Leave the **To** date blank unless you want to set an end date for the business group.

Step 7: Assign the location

1. In the **Location** field, enter or select the location you created for the legal entity, for example **ABC Company Address**.
2. Check that the **Location Address** fills in automatically, for example "LA Street...New York, NY, 10017, New York, United States".

3. Confirm that **Internal or External** is set to **Internal**.

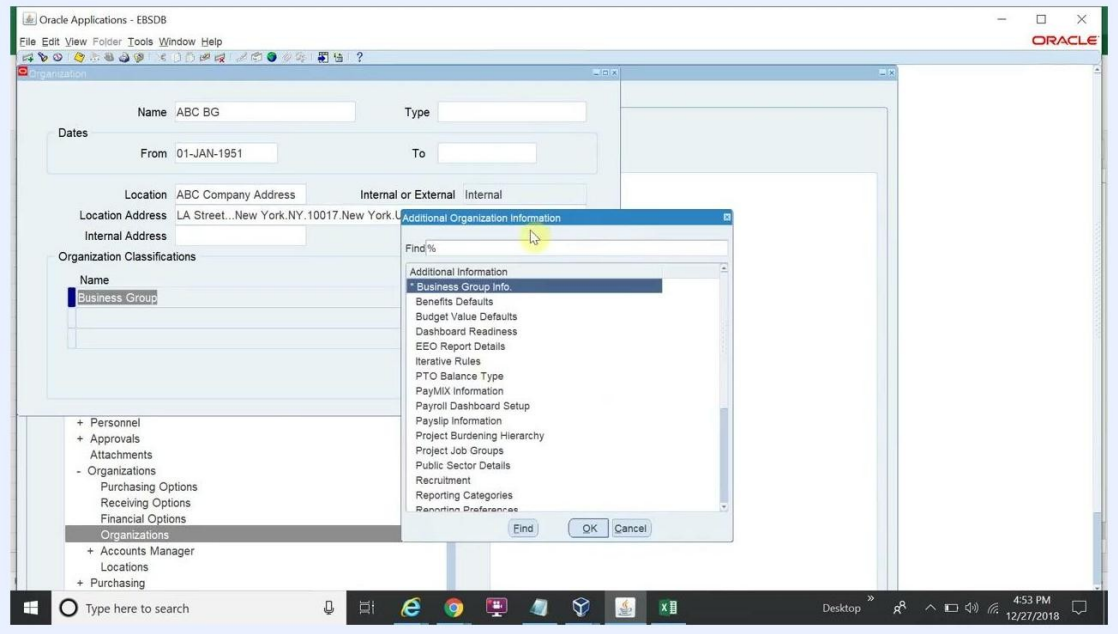


Organization form showing the name ABC BG, the location ABC Company Address, and the populated address fields

Step 8: Classify the organization as a business group

1. In the **Organization Classifications** section, click the field under **Name**. A list of organization classifications appears.
2. Select **Business Group**.

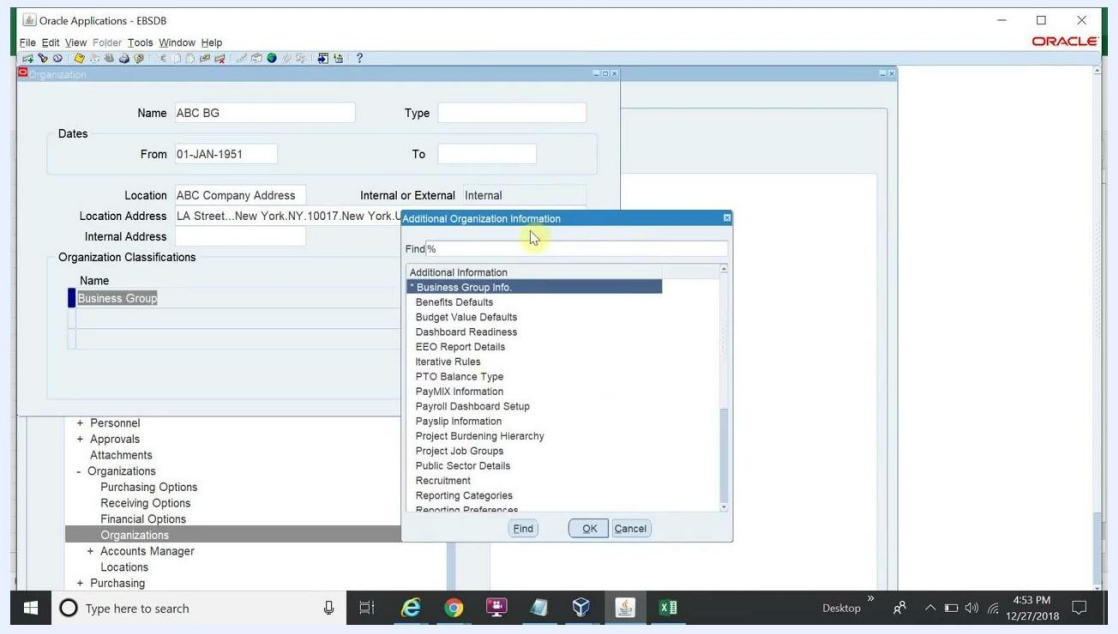
3. Click **OK**.



Organization Classifications list with Business Group selected

Step 9: Enable the business group classification

In the **Enabled** column next to "Business Group", select the check box to enable the classification.



Organization form with the Business Group classification and its Enabled check box

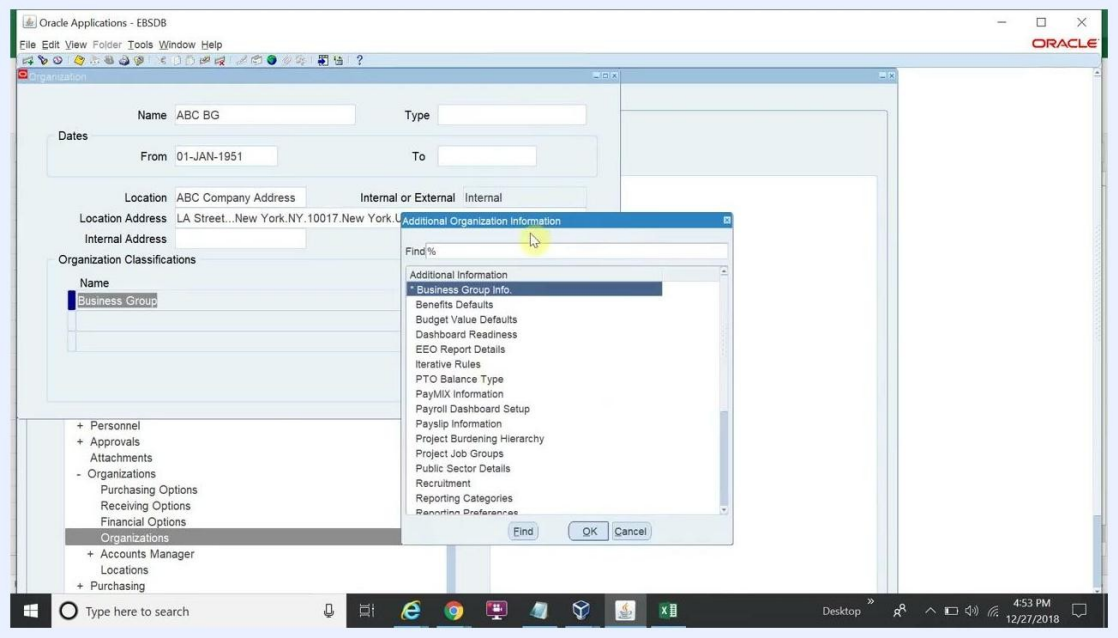
Step 10: Save the organization

Click the **Save** icon (diskette) in the toolbar, or use the menu, to save your changes.

Step 11: Open the Business Group Info. window

1. Click **Others** in the "Organization" form.
2. In the "Additional Organization Information" dialog, select **Business Group Info.**
3. Click **OK**.

Most fields in the "Additional Organization Information" dialog are optional unless you are implementing HRMS (Human Resource Management System) features. For financial purposes, you only need to complete the **Business Group Info.** section.



Additional Organization Information dialog with Business Group Info. selected

Step 12: Complete the business group information

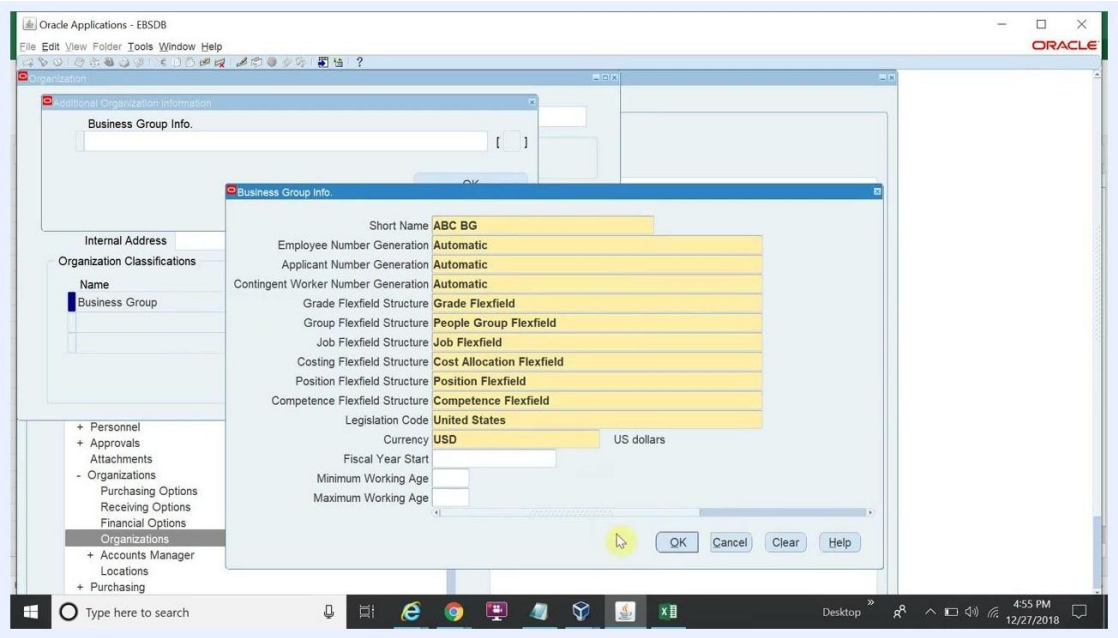
In the "Business Group Info." window, make sure all required fields are filled in:

- **Short Name:** ABC BG
- **Employee Number Generation:** Automatic
- **Applicant Number Generation:** Automatic

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- **Contingent Worker Number Generation:** Automatic
- **Grade Flexfield Structure:** Grade Flexfield
- **Group Flexfield Structure:** People Group Flexfield
- **Job Flexfield Structure:** Job Flexfield
- **Costing Flexfield Structure:** Cost Allocation Flexfield
- **Position Flexfield Structure:** Position Flexfield
- **Competence Flexfield Structure:** Competence Flexfield
- **Legislation Code:** United States
- **Currency:** USD (US dollars)

Confirm that all values are correct before you continue.



Business Group Info window with all fields completed and the pointer near the OK button

Step 13: Complete the remaining fields if required

If your business group setup requires them, fill in **Currency**, **Fiscal Year Start**, **Minimum Working Age**, and **Maximum Working Age**.

Step 14: Save the business group information

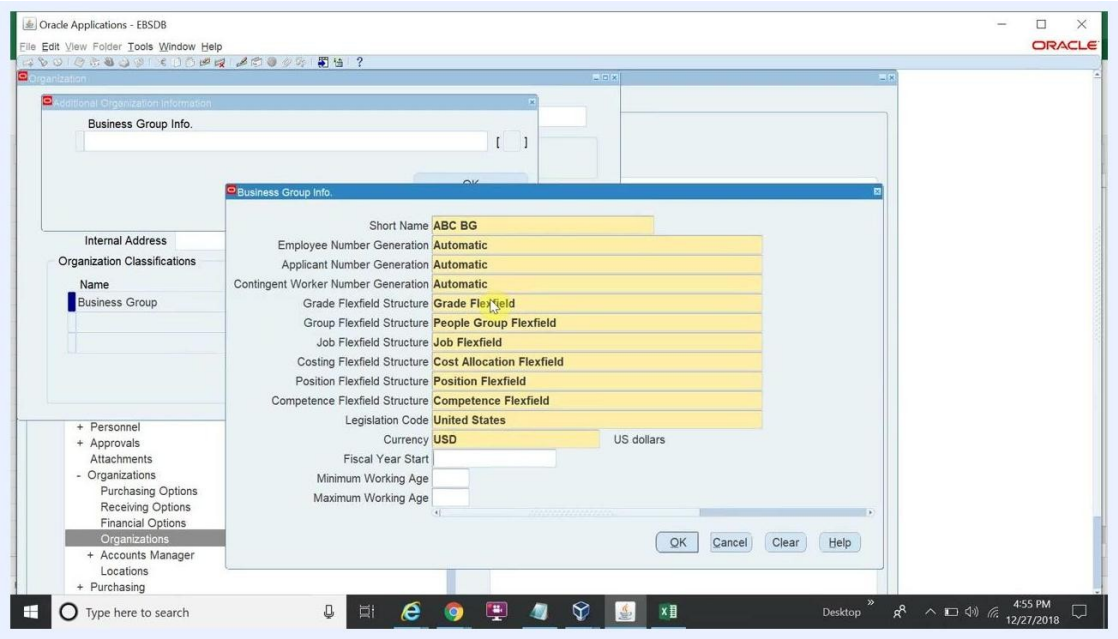
Click **OK** to save the information and close the "Business Group Info." window.

Step 15: Verify the business group information

After you save, the "Additional Organization Information" window shows a one-line summary of the values you entered, for example:

ABC BG|Automatic|Automatic|Automatic|Grade Flexfield|People Group Flexfield|...

Check that the summary matches your entries and that the **Enabled** check box for the Business Group is selected.



Additional Organization Information window showing the summary line and the selected Enabled check box

Summary

You now know how to define a business group in Oracle EBS. You opened the Organizations form from **Setup** > **Organizations** > **Organizations** and created the organization **ABC BG** with its dates and location. You classified it as a **Business Group**, enabled the classification, and saved it. Then you completed **Business Group Info.** and verified the result in the "Additional Organization Information" window.