

# DSO



**Process Owner**

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## General Description

A monthly trend on DSO (Days Sales Outstanding), Best DSO in terms of number of days of up to previous month (M-1). It also provides the differences on number of days between DSO and best DSO which is known as late/delayed DSO. The new calculation of DSO is now using back-track method. In the DSO calculation, Solvay Energy Services is being excluded, but it is included in both Overdue and Outstanding (if any).



Indicator details results can be analyzed by :

GBU  
Group of Activity



Refresh Frequency:

Monthly (during closure on 1st to 6th 3 times per day)

KPI Name	Calculation
DSO	<p>Evaluation in terms of Days of Sales Outstanding at the report date. It is a measure of efficiency of how quickly receivables are collected. It shows the age in term of days of an organization's accounts receivable and the average time it takes to turn receivables into cash</p> <p>If <math>Turnover_m \geq Outstanding_m</math> then</p> $DSO = \frac{Outstanding_m}{Turnover_m} \times days_m$ <p>If <math>(Turnover_m + Turnover_{m-1}) \geq Outstanding_m</math> then</p> $DSO = \frac{(Outstanding_m - Turnover_m)}{Turnover_{m-1}} \times days_{m-1} + days_m$ <p>If <math>(Turnover_m + Turnover_{m-1} + Turnover_{m-2}) \geq Outstanding_m</math> then</p> $DSO = \frac{(Outstanding_m - Turnover_m - Turnover_{m-1})}{Turnover_{m-2}} \times days_{m-2} + days_{m-1} + days_m$ <p>The general rule is, if <math>\sum_{n=0}^{12} Turnover_{m-n} \geq Outstanding_m</math> then</p> $DSO = \frac{(Outstanding_m - Turnover_{m...} - Turnover_{m-n})}{Turnover_{m-n}} \times days_{m-n...} + days_m$ <ul style="list-style-type: none"> <li>• <b>Days</b> = Number of days in the month. (Month premise: 30 days)</li> <li>• <b>Outstanding</b> = Sum of open documents in the customer's account at the report date. Receivables in doubtful state and advanced payments are excluded.</li> <li>• <b>Turnover</b> = Sales (VAT included) in a specific month</li> <li>• <b>m</b> = Current month (Month Premise: 30 days)</li> </ul>
Best DSO	Number of days of up to previous month (M-1)

Delay DSO = DSO - Best DSO

**Attention**

On My Report, DSO KPI comes with TOTAL. Note the TOTAL calculation is made based on the formula described above.

Ex:

If  $Turnover_m \geq Outstanding_m$  then

$$DSO = \frac{Outstanding_m}{Turnover_m} \times days_m$$

Year	2018	2018	2018	2018
Month	01	01	01	01
PRS Customer	DSO (Number of Days)	Outstanding (Amount)	Overdue (Amount)	Turnover (Amount)
A TONAL INDUSTRIA QUIMICA LTDA	30	18	0	18

→ DSO = (18/18) x 30 = 30

Year	2018	2018	2018	2018
Month	02	02	02	02
PRS Customer	DSO (Number of Days)	Outstanding (Amount)	Overdue (Amount)	Turnover (Amount)
	0	0	0	54

→ DSO = (0/54) x 30 = 0

Year	2018	2018	2018	2018
TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
PRS Customer	DSO (Number of Days)	Outstanding (Amount)	Overdue (Amount)	Turnover (Amount)
	8	18	0	72

→ DSO = (18/72) x 30 = 8

**Source Information:**

Core Query:	BW_QRY_MVFIAR01_0001
QV Query:	QVSBS_BW_QRY_MVFIAR01_0001
BW Filters:	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Company Code &lt;&gt; ZUS4</li> <li><input checked="" type="checkbox"/> GL Acct Type = RECEIVABLES</li> <li><input checked="" type="checkbox"/> PRS Comp. Interco Flag = YES</li> <li><input checked="" type="checkbox"/> PRS Comp. Merging Date = #</li> <li><input checked="" type="checkbox"/> PRS Customer &lt;&gt; 2200000000 CLIENTI</li> <li><input checked="" type="checkbox"/> PRS Cust. Interco Flag = No</li> <li><input checked="" type="checkbox"/> ERP GBU &lt;&gt; Eco Service</li> <li><input checked="" type="checkbox"/> Control Credit Area = "SOLV"</li> </ul>

**Specific Dimensions**

GL Account Sub Type	By default filtered on Product and Services. Other values may be selected; Accruals&Revaluation, Advance Payment, Doubtful, Write Down
Mini Zone (Cust)	Mini Zone of the PRS Customer
Customer Country	Country of the PRS Customer
PRS Customer	
Customer Group	Customer Group of the PRS Customer

Coll. Speci.	
Sales Rep	
Credit. Mgr.	