**Enterprise System**

1. **Enterprise system**: an enterprise-wide, modular, integrated, real time information system responsible for transaction processing across all business areas.
2. **ERP**: **Enterprise Resource Planning,** ERPs are made up of numerous critical back-office “modules”, or applications that are seamlessly linked together through a **common database**.
3. **TPS:** Transaction Processing System
4. **MIS:** Management Information System
5. **DSS:** Decision support system
6. **EIS:** Executive information system
7. **MRP: Material Requirements Planning,** takes the end product requirements from the

MPS and breaks them down into their component parts and subassemblies

1. **CSF**: **Critical Success Factors**, Top level management support, clearly defined and implemented communication avenues, top level champion and management commitment to the change, avoidance of customisation, including key personnel on the project team, end user training with ongoing support, and well written and complete needs analysis reports and process reengineering
2. **CRM: C**RM is part of SAP Business Suite to **manage customer relationship**. It supports all customer-focused business areas such as marketing, sales and service. It is implemented for different customer interaction channels, such as Interaction Centre, Internet, and Mobile clients (hand-held devices like laptop, mobile, etc.).
3. **SCM: Supply chain management**, is the **oversight** of materials, information, and finances as they move in a process from supplier to manufacturer to wholesaler to retailer to consumer. Supply chain management involves coordinating and integrating these flows both within and among companies
4. **BI & BW: Business intelligence and business warehouse,** SAP business warehouse is SAP’s enterprise data warehouse product. It can transform and consolidate business information from virtually any source system. SAP BI and BW are the same.
5. **Logistics:** detailed organization and implementation of a complex operation.
6. **Business Scenario**: is a set of processes that define a business task in a comprehensive and self-contained manner at a macro level.
7. **Process**: A process is a set of logically related activities performed to achieve a defined business outcome triggered by a transaction.
8. **Process step**: a process step is an elementary activity or task performed to accomplish a process.
9. **Business process**: describes a sequence of activities or tasks for the creation of goods and services, affecting the success of the company and is driven by a transaction. Each process consists of a sequence of steps.
10. **Business step:** a business step/task usually corresponds to a program or to a transaction. However, a business step may be completed by using one or more different programs or transactions.
11. **Business processes documented**
    1. Employ a business analyst or business process expert to model the process.
    2. Get someone in the organization who understands some of the critical processes to identify these and put them into a diagrammatical representation.
12. **BPO: Business process optimisation,**
13. **BPR: Business process re-engineering**, BPR is a management approach aimed at improvements by means of elevating efficiency and effectiveness of the processes that exist within and across organizations.

**SAP**

1. **SAP: Standards, applications and processes (or product):**
2. **Master Data**: Master Data represented in the SAP system for our purposes covers the core business objects (vendors, customers, employees, materials) which are shared by users across the whole enterprise.
3. **Master Data Objects:**
4. **MDM: Master data management,** is a method of enabling an enterprise to link all of its critical data to one file, called a master file, that provides a common point of reference. MDM is a tool in SAP system that streamlines data sharing among personnel and departments and ensures data is ‘one version of truth’. This means that you only have one customer, with that name and with that address and those contact details etc. a fully functioning MDM ensures that the Master Data is correct and is fit for purpose.
5. **Transactions:** transactions are application programs which execute business process in the enterprise system.
6. **Transactional data**: includes internal and external exchanges that describe business activities, unlike Master Data, aggregate transactional data is dynamic – each transaction is unique.
7. **Organisational data:** describe central characteristics of organizations, their internal structures and processes as well as their behaviour as corporate actors in different social and economic contexts.
8. **Organisational units:** different levels that describe the structure of an enterprise. Every level has a particular functionality associated with it
9. **Client:** Highest element
10. **Company code:** independent accounting entity used to report taxes. Smallest entity for which a complete set of accounts can be kept.
11. **Plant:** Central org unit where a product is manufactured or distributed.
12. **Storage locations:** stock is located in different parts of the plant.
13. **Controlling area:** independent organizational structure for which costs and revenues are collected.
14. **Business area:** internal organizational unit used to create P/L for common parts of the business.
15. **Profit centre:** a unit that collects revenue usually product lines.
16. **Material master:** most important central data object in a manufacturing system. It is used to store information on: raw materials, semi-finished products, finished products, etc
17. **Bill of Material:** structured list of the components which make up the product or assembly.
18. **Work centre**: A work centre is where an operation or activity is carried out within a production plant, e.g. lathe, testing station, drilling machine. It can be a single machine, a group of machines, or an area where a particular type of work is done.
19. **Routing**: a routing contains the steps necessary to convert raw materials into components during production. This includes the operation, their sequence and the work centre that will do the work.
20. **Cost centre**: a cost centre is often a department that record the cost within a company.
21. **Sales Organization:** An organizational unit responsible for the sale of certain products or services. The responsibility of a sales organization may include legal liability for products and customer claims.
22. **Division:** A way of grouping materials, products, or services. The system uses divisions to determine the sales area and the business area for a material, product, or service. A sales organization can have several divisions but requires at least one.
23. **Distribution Channel:** The way in which products or services reach the customer. Examples include wholesale, retail, online retail, etc. A sales organization must have at least one distribution channel.
24. **Plant and Storage Locations:** where material stock is kept.
25. **Purchase Organization**: General conditions for purchasing.
26. **Purchase Group**: Group of buyers in charge of certain purchasing activity.
27. **Plant / Warehouse**: Produces goods or makes goods available for distribution.
28. **Document**: a data record that is generated when a transaction is carried out and contains all the pre-defined information such as sales document, order, pay slip etc.
29. **Report**: program which reads certain data elements and displays them in a list. SAP has extensive reporting facilities which enables users to access and display the data in various formats.
30. **Workflow**: workflows enable the electronic workflow management of structured flows
31. **Configuration:** Directly implement the system purchased from vendor without change anything.
32. **Customization**:

* Adding new fields/tables as per client requirements.
* Customize or adapt the system to your business requirements, which is the process of mapping SAP to your business process.

1. **Inventory**: inventory is the stock of any item or resource used in an organization. Can be ordered from suppliers or produced in house. It can be classified into: raw materials, finished products, component parts (sub-assemblies), supplies (nails, gloves), work in process (WIP).
2. **Production Order**: define which material is to be produced, at which location, at what time and how much work is required, which resources are to be used, and how the order cost are to be settled. *This information is generated from the MRP via the material BOM.*
3. **Demand Management**: DM creates a forecast of market demand for the products you sell. Forecast is based on customer contracts, planned sales orders and other demands.
4. **Demand plan**: the demand plan is released as a planned independent requirement. These form the basis for purchasing and production planning.
5. **Vendor**: company’s crediting business partner (accounting). The master record is maintained by Accounting and purchasing.
6. **Invoice**: the procurement process is concluded by the invoice verification process, during which invoices and credit memos and their contents and prices are checked for accuracy. Payment and evaluation of invoice is not part of invoice verification but Financial.
7. **Payment**: the payment process is part of the financial accounting module.
8. **General Ledger**: main financial record of a business. Utilises double entry bookkeeping.
9. **Dunning System:** Dunning method is a collection tool for accounts receivable and payable. Enables the generation of dunning letters for overdue invoices, includes interest calculation. It uses a dunning wizard. Can check overdue invoices for all customers.
10. **Account receivable:** contains monetary amounts that are owed by all your customers to you for services rendered. Shows monetary amounts that have been received by you from your customers. It is an accumulation of all money owed to you by all your customers.
11. **Accounts payable:** is a reconciliation account in the ledger. It contains all money amounts that are owned to your suppliers (vendors) and not yet paid and shows money that has been paid to your suppliers. It is an accumulated account of all money owed and paid to vendors.

**Future Trends**

1. **Software as a Service (SaaS):** Instead of installing and maintaining software, you simply access it via the internet.
2. **Metadata:** Metadata is data that describes other data.
3. **OLAP:** online analytical processing
4. **OLTP:** online transaction processing
5. **Digital transformation:** transformation of business and organizational activities, processes, competencies and models to fully leverage the changes and opportunities of a mix of digital technologies
6. **Metadata schema:** the overall structure for the metadata
7. **Data dictionary:** centralised repository of information about data
8. **BI:** **business intelligence**, refers to technologies, applications and practices for the collection, integration, analysis, and presentation of business information.