

RT 4 Exercise, Group Work

Final Report

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Table of Contents

Contents

Table of Contents	2
1 Introduction.....	4
1.1 Enterprise Resource Planning (ERP) and ERP-System SAP ECC:	4
1.1.1 What are ERP Systems and SAP ECC?	4
1.1.2 What is ERP.....	4
1.1.3 Why ERP and SAP ECC?	5
1.1.4 SAP Structure.....	6
1.2 SD AND MM-MODULES AND THEIR ORGANISATIONAL STRUCTURES.....	7
1.2.1 Sales and Distribution (SD)	7
1.2.2 Material Management (MM)	7
1.2.3 SAP SD and Its Organisation Structure	8
1.2.4 SAP MM and Its Organisational Structure.....	9
1.2.5 Procedure Cycle –Component Description	12
1.2.6 Integration of Sales and Distribution and Material Management.....	14
2 Customer Order – Customer Delivery Process	15
1.1 Process Map.....	15
1.2 Departments	16
3 Exercises	19
3.1 RT 3a	19
3.1.1 Creating New Material By Copying An Existing Material.....	20
3.1.2 Customer Creation	20
3.1.3 Maintaining Material Prices	21
3.1.4 Customer Material Discount Creation	21
3.1.5 Maintain the Material to MRP (Material Requirement Planning)	21
3.1.6 Create Vendor:	21
3.1.7 Define vendor to be source of our material	22
3.1.8 Creation of sales order.....	22
3.1.9 Defining The Purchase Price	24
3.1.10 Checking The Stock	24
3.1.11 Creating Purchase Request Through MRP.....	25
3.1.12 Checking The Stock	25
3.1.13 Form Purchase Request To Purchase Order.....	26
3.1.14 How The Stock Status Has Changed:	26

3.1.15	Receipt Of The Vendor Delivery To Stock.....	26
3.1.16	Checking The Stock	26
3.1.17	Control Of The Created Document	27
3.1.18	Delivery Of Sales Order To The Customer:	28
3.1.19	Create Outbound Delivery With Order Reference.....	28
3.1.20	Picking For The Delivery & Post Goods Issue.....	28
3.1.21	Checking The Stock	29
3.1.22	Sales Order 'Document Flow'	29
3.1.23	Billing The Customer	30
3.1.24	Realising The Bill (Invoice) For Accounting.....	30
3.1.25	Sales Order 'Document Flow'	31
3.2	RT 3b.....	32
3.2.1	Create BOM.....	32
3.2.2	Create Scheduling And Resource Planning:	38
3.2.3	Test Production Process.....	40
2	Summary.....	51
3	Feedback.....	51
4	Source Of Information.....	51

30/11/2008

1 Introduction

This report is based on the course SAP R/3 Business application and business processes, during this autumn semester.

It includes the basic idea about ERP SYSTEM AND SAP ECC with a list of modules in SAP System Including SD and MM Modules. The report also includes hand on practical exercise about how Logistics process is from customer order to billing using SAP ECC. The process starts from customer order and proceed to order delivery. More details are listed in the document

1.1 Enterprise Resource Planning (ERP) and ERP-System SAP ECC:

1.1.1 What are ERP Systems and SAP ECC?

Enterprise Resource Planning (ERP) is an integrated suite of software applications which handles the Logistics, Human Resources, Financials, Distribution, Inventory, Shipping, Manufacturing, And Invoicing in a very large business organisations. The SAP NetWeaver as a technological base of a system is used to harmonise all data and processes or activities of an organization into a system uniformly. A typical ERP system will use multiple components of computer software and hardware to achieve the integration. A key factor of most ERP systems is that it uses a single database to store data for the various system modules.

The ERP is such that data are gathered and processed in an organization in a single system. This innovation in turn helps enterprises to either take or gain full control of their entire organisations administrations and operations thereby resulting in profit maximisation and efficient co-operation. [1][1.1]

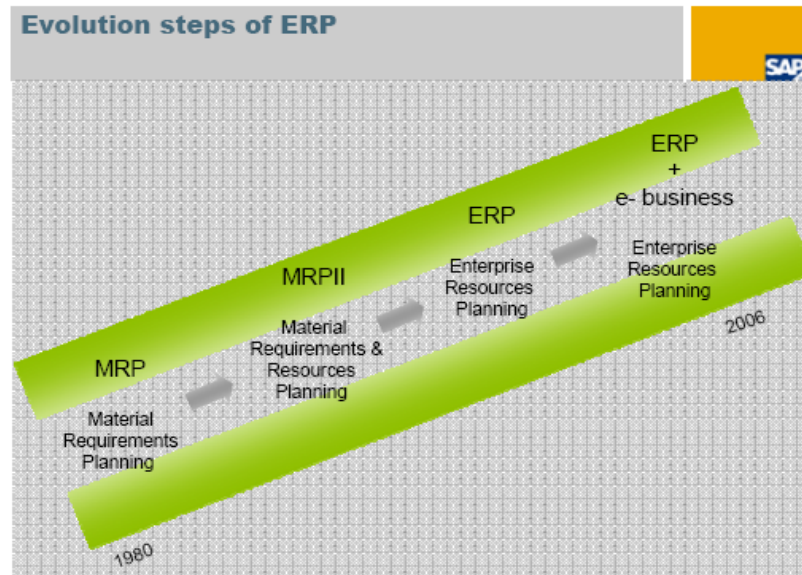
1.1.2 What is ERP

Enterprise Resource Planning (ERP) is the planning of how business resources (Materials, Employees, Customers etc.) are acquired and moved from one state to another, a process by which a company (often a manufacturer) manages and integrates the important parts of its business i.e. integrating areas such as Planning, Purchasing, Inventory, Sales, Marketing, Finance, Human Resources, etc so as to function as one system despite different departments using different specialized systems (www.answers.com, www.en.wikipedia.org).

SAP ERP is a system designed by SAP AG (a major European Software Enterprise Company) before, it was known as MRP (Materials Requirements Planning) and later on it changed its name to MRPII (Materials

30/11/2008

Requirements And Resource Planning), then ERP, now its ERP + e-business as simplified diagrammatically below [2].



Since SAP AG targets business software requirements of midsize to large size organisations in all industries and sectors, it has four specialised individual solutions that support key functional areas in Finance, Human Capital Management, Operations and Corporate Services working along SAP ERP (www.en.wikipedia.org , Kai Nylén Presentations).[2.1]

1.1.3 Why ERP and SAP ECC?

1.1.3.1 Standardised Business Processes

With ERP you have a generalised and well defined or designed business processes and application. This implies fewer business processes to be supported, and changes in traditional functioning. The advantages from huge tasks are operational efficiency and rigid interconnectivity between various departments, groups or functions of different companies.

1.1.3.2 Improve Productivity

With ERP system, all aspects of an organization can work in harmony instead of every single system needing to be compatible with each other. For large organizations, increased productivity and less types of software are a result.

1.1.3.3 A Common Data Repository

30/11/2008

In an ERP system, everyone uses the same data. This reduces data duplication and redundancy and makes data transparent and easy to compare.

1.1.3.4 Security Purpose

When thinking about company resources security, which involves access rights, consider this information;

Some security features are included within an ERP system to protect against both outsider crime, such as industrial espionage, and insider crime, such as embezzlement. A data-tampering scenario might involve a frustrated employee intentionally modifying prices below the break-even point in order to attempt to take down the company, or other sabotage. ERP systems typically provide functionality for implementing internal controls to prevent actions of this kind. ERP vendors are also moving toward better integration with other kinds of information security tools.

ERP Systems are designed to provide business benefits in sales and distribution, manufacturing, costing, field service, and accounting. Surveys of U.S and Swedish manufacturing firms show that ERP benefits include timely information, increased interaction across the enterprise and improved order management.

In sales, increased efficiency leads to the ability to provide lower quotes, reduced lead times, and improve overall responsiveness to customers needs. In manufacturing, concurrent engineering means faster product design and production. In field service, data on customer service histories and parts under warranty are available. Suppliers are paid more rapidly because accounts payable systems are responsive and accurate. Above all, the level of operations excellence through the business is optimized, from customer order through distribution and service.

Tangible benefits of ERP systems are lower inventory levels, improved on-time delivery, and decreased financial closing cycles. In addition to hard dollar savings, such as reduced procurement costs and increased manufacturing throughput, ERP systems provides also soft-dollar profit, including increased sales and revenues, improved margins, and improved productivity. In addition, ERP systems are a foundation for e-Business applications because they provide the back-office functions that enable customers to place and track orders via the web.[3]

1.1.4 SAP Structure

SAP ERP itself is not single software but rather, it is a flexible structure and can consist of various different models, the system can represent a complex enterprise structure through the linking of organisational units the whole structure of an entire enterprise can be integrated.

The enterprise structure design is one of the most important processes in an SAP ERP implementation because the structure designed in the SAP system has to accommodate all business scenarios and enterprise requirements

30/11/2008

for current and future needs as it consists of various different modules. These modules are covering the typical divisions in an organisation. Each module handles specific business tasks on its own, but is of course linked to others.

1.2 SD AND MM-MODULES AND THEIR ORGANISATIONAL STRUCTURES

1.2.1 Sales and Distribution (SD)

The SAP sales and distribution is part of the logistics module that support your customers, starting from quotations, sales order and all the way towards billing the customer. It is tightly integrated with the MM and PP functional modules. It allows companies to input their customer sales price, check for open orders and forecast etc. The most important basic functional features in the SD module are:

Pricing, Availability, Credit Management, Material Determination, Output Determination, Text Processing, Text Determination, Account Determination, Top of Form and Bottom of Form.

1.2.2 Material Management (MM)

SAP MM is the material management module of SAP ERP. Materials management includes a set of tasks that are performed in order to make materials available for production as and when needed, and to monitor the availability of materials.



Picture: SAP R/3 system.

The above picture explains the three tier system of the SAP R/3 and the different kinds of applications.

30/11/2008

The day-to-day material management functions and processes of business operations are supported by the Material Management component of the R/3 system.

These tasks occur when the Inventory Management (MM-IM) application component is in use. The main functionality of MM includes are Purchasing, Inventory Management, Valuation And Assignment, Batch Management And Classification.

Activities in Production Planning and Control with Production Orders

- Picking
- Access material availability overview
- Access missing parts information system

1.2.3 SAP SD and Its Organisation Structure

SAP SD belongs to Logistics menu from SAP R/3. SD menu provides several submenus as following:

Master Data:

Provides information about Business Partner, Products, Conditions, Output, Agreements and Other Information's.

1.2.3.1 SD Configuration

The Company Code is an organizational unit used in accounting. It is used to structure a business organisation from a financial accounting perspective.

Credit Control Area is an organizational unit that specifies and checks a credit limit for customers. A credit control area can include one or more company codes. It is not possible to assign a company code to more than one credit control area. Within a credit control area, the credit limits must be specified in the same currency.

Sales Organisation is an organization unit responsible for the sale of certain products or services. Sales organisation is assigned to company code to ensure all the sales made through this Sales Organisation are accounted for in the assigned Company Code.

Distribution Channel is the way, in which Products or Services get in touch with Customers. Distribution Channel is assigned to Sales Organisation to ensure that a Sales Organisation can supply materials to customers through this Distribution Channel.

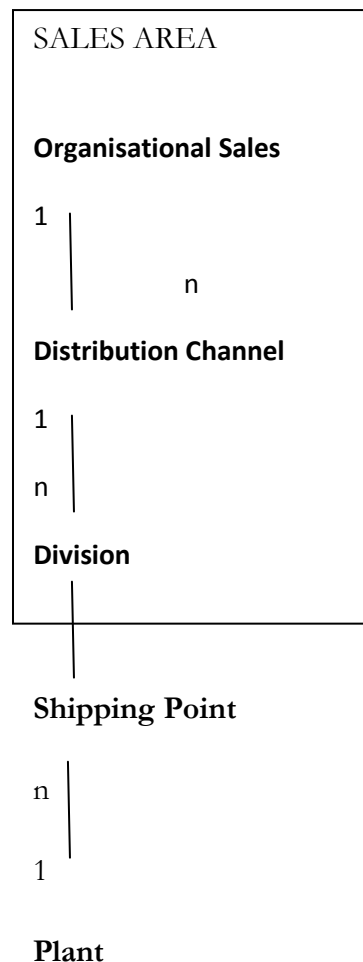
Division is a way of grouping products, materials or services. Division is assigned to sales organization.

Setting up **Sales Area**: All the sales are made from a particular sales area. For creating a sales order, sales area is mandatory.

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Shipping point is an organisational unit, which is responsible for shipping materials to customers. Assignment shipping point to Plants means that goods from different Plants can be dispatched from different Shipping Point. [4].

1.2.3.2 Organisation Structure

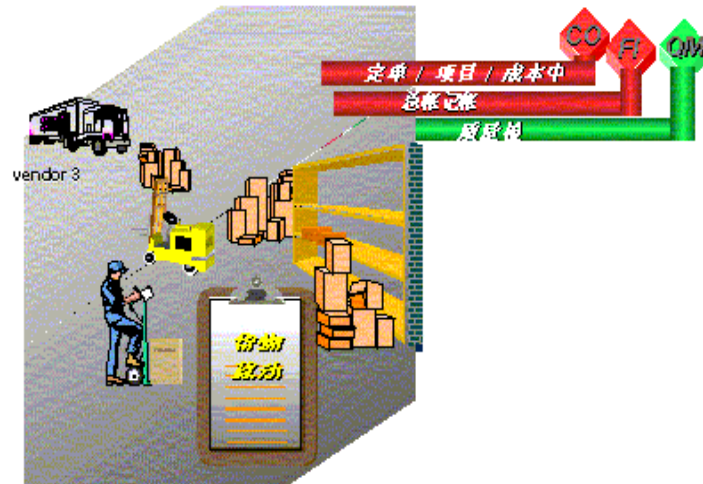


1.2.4 SAP MM and Its Organisational Structure

SAP MM is a module of SAP ERP that is used for procurement handling and inventory management. It covers the following topics in detail: Procedure Process, Master Data (Material & Vendor Master) , Inventory Management, Valuation of Material & Account Determination , Material Requirement Planning , Invoice Verification , Reporting related to the above activities and first of all, material management, people receive orders from production people and send the Request for Quotation to the vendor based on the requirements.

30/11/2008

After that the vendor will send the quotation with prices to customers. If customers agree with terms of agreements, they will send Purchase Order to the Vendor. Materials will be sent to the company, after accounting people pay the invoice and the invoice be verified by Material Management people. After production, QM (Quality Management) people will check the quality and everything regarding to the production. If they accept, then the materials will go to sales people for selling the material from the plant.



Procedure cycle:

1. Material Requirement (Manual or through MRP/CBP)
2. Checking availability of Material
3. Selection of Vendor
4. Negotiation (Price & Other Condition)
5. Issuing the Purchase Order to Vendor
6. Follow up with Vendor
7. Goods Receipts
8. Goods Issue to Indenting Department
9. Invoice Verifications
10. Consignment Purchase
11. Contract release order

The system checks and keeps up-to-date data and plan very well so as to meet the requirements of the customer at any point in time.

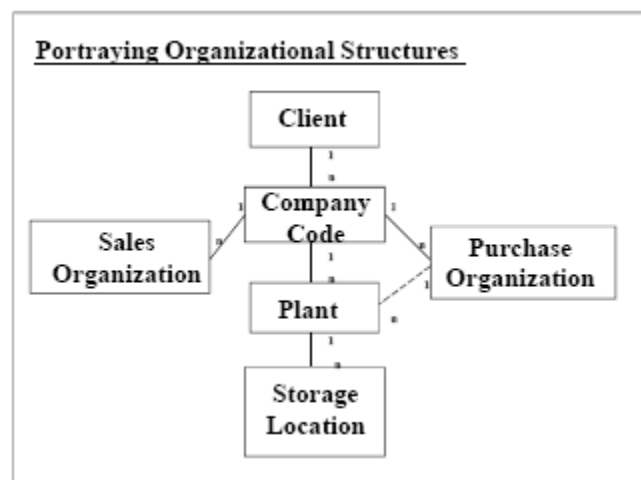
Inventory levels are always known by the system and therefore give hints to the scheduling department to get ready and available goods to satisfy the customer's demands.

The system evaluates material and tests them to meet the standards of the customers before delivery and also eliminates the returns and duplications in supply.

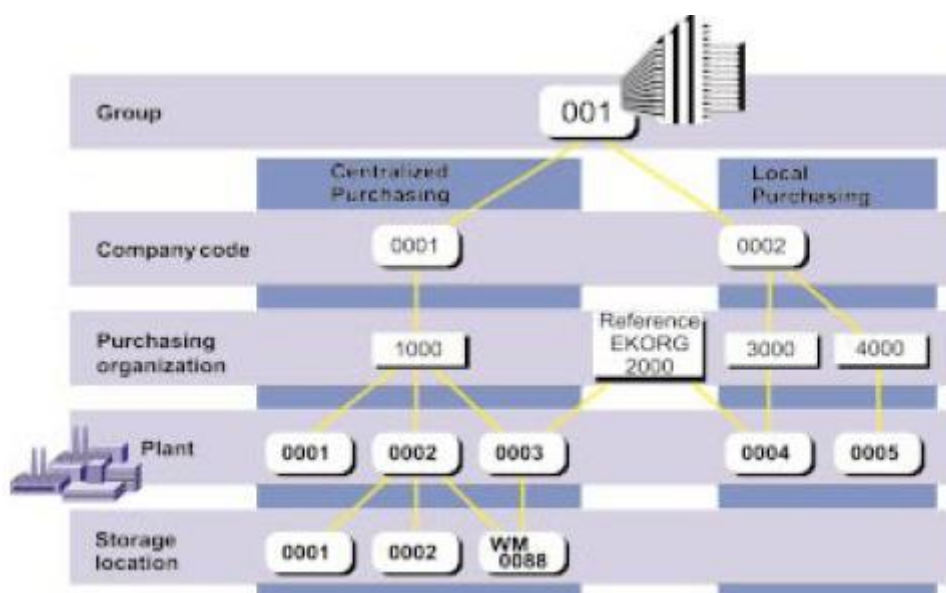
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Invoice verifications are done so accurately by the system and eliminate errors and the burdensome job of under supply and over supply of goods and services.

1.2.4.1 Organisational Structures



Example -There are many operational groups or processes in a company. Every company is made up of the structures such as the purchasing, the accounting, sales and distribution etc. These operational groups needs to be integrated or communicated so as to run their business smoothly. In view of these some software packages are designed to ensure the smoothness of the communication processes within the companies. SAP R/3 system is an example of these types of softwares.



30/11/2008

Figure. Organisational Units in Material Management

Figure above explains the Organisational Units of the Material Management in the SAP R/3 system.

Materials and services are procured by the Purchasing organisation of department. It is the duty of purchasing department to organise everything concerning purchases in the company. This is done by the help of the R/3 system.[2.1.2]

For the purpose of external reporting, a set of accounts are drawn by the company code which is the smallest on the organisational units.

Recording of transactions and generating all supporting documents for legally-required financial statements such as balance sheets and profit and loss statement is done by the plant organisational unit. This is the central operating unit concerned with the production and planning or a combination of locations with materials stocks, known as storage locations.[5]

1.2.5 Procedure Cycle –Component Description

1.2.5.1 MRP

With MM SAP company acquires basis for material requirements planning which depends on consumption data. With this data procurement proposals can be done for reorder point or forecasting.

1.2.5.2 Purchasing

Purchasing process is easier (optimised) with usage of MM application. Purchase requisitions or purchase orders and long term purchase agreement can be generated. At purchasing it is decided if orders can be placed using existing quotations or do we need to issue Requests for Quotations. Purchasing orders can even be created automatically by using available data. System also provides information for Vendor evaluation purposes, Vendor selection, Volumes (regarding a material or a vendor), Monitoring ordering activities; Buyers and material planners can also gain information about: Stock levels, Stock availability (in terms of location and time), Vendors, Purchase organisations histories Delivery dates, Open-order quantities;

1.2.5.3 Vendor Management

In SAP vendors are considered as Business Partners, are legal and natural people with whom you have a business relationship. Customers and vendors are business partners with whom you have a relationship involving the transfer of goods and services. Vendors have a variety of functions, referred to as partners' functions, in connection with your company. Partner functions define rights and responsibilities of each partner type in a business transaction. Different vendors might carry out one or more partner functions. That is why you can assign a business partner a number of partner functions. Data on business partners are managed in master

30/11/2008

records. Data on partner functions are stored in these master records, and used in Financial Accounting and Logistics.

1.2.5.4 Inventory management

Inventory management deals with management of material stocks on quantity and value. At the same time, it deals with the planning of material, goods movements and proof of goods movements. The Delivery is entered Inventory Management and as a goods receipt, it is stored as a stock at storage location level in a plant, until it is delivered to customers or used in another purpose. Material can be stored as unrestricted stock (for consumption purpose, quality stock, and block stock. Inventory Management consists of following components:

1. Goods Receipt/Issue
2. Transfer Posting
3. Stock Transfer Orders
4. Consumption
5. Physical Inventory
6. Inventory Tracking
7. Stock Status

INVOICE VERIFICATION includes the following components:

1. Invoice Verification
2. Credit Memo
3. Subsequent Debit/Credit
4. Material Valuation
5. Financial Accounting documents for all Stock, Purchases and Tax accounts involved
6. Procurement Process Complete

SAP R/3 is an integrated system, so all components of MM such as Material Requiring Planning, Inventory Management, and Invoice Verification are directly linked to each other. Any transactions of Inventory Management will have an impact on other components.

1.2.5.5 Goods Receipt

When making goods receipt, data is taken from Purchase Order. System takes care for under-deliveries and over-deliveries. System also changes quantities in stock if material moves anywhere (this is done automatically).

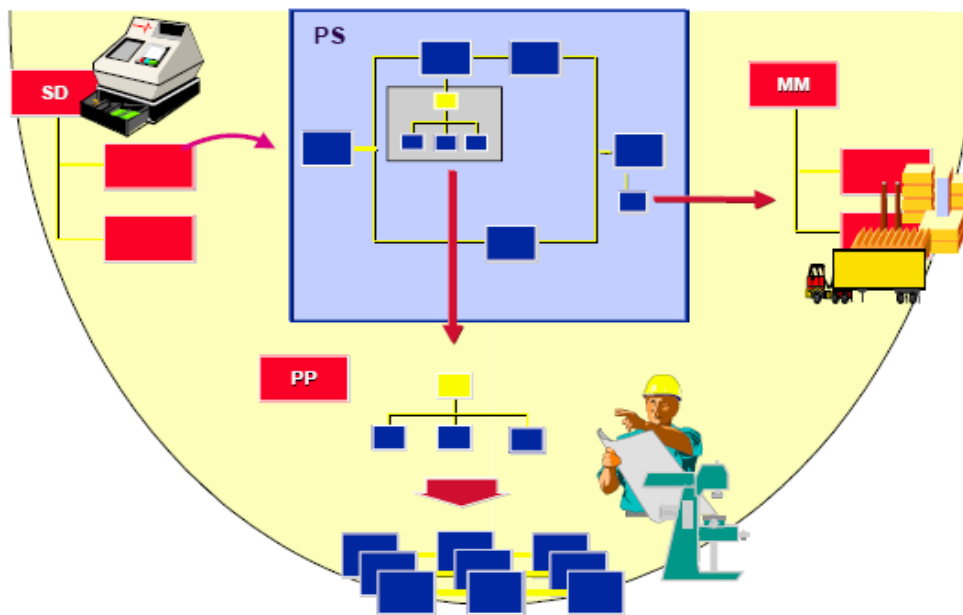
1.2.5.6 Warehouse Management

30/11/2008

In this part of MM we administer and define warehouse structures. Structures can be split into different physical or logical units like high-rack and block storage areas. Defined strategies are used in system to indicate where goods can be placed in storage from where they are to be taken or where will be order-picking place.

1.2.6 Integration of Sales and Distribution and Material Management

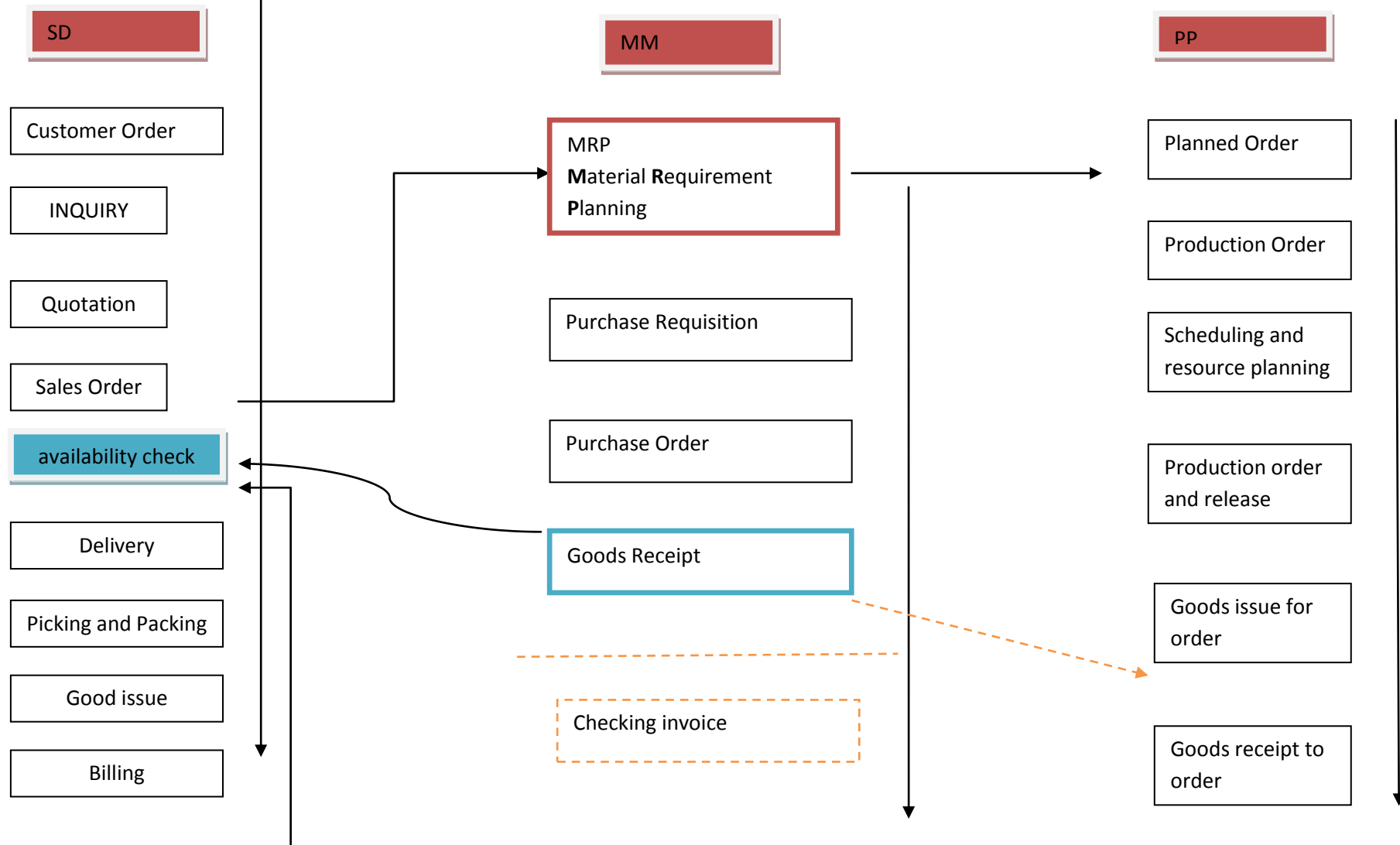
Figure below described by SAP AG shows “Material forms a link from a project to Sales, Materials Management (Purchasing and Inventory Management), and Production Planning and Control.”



30/11/2008

2 Customer Order – Customer Delivery Process

1.1 Process Map



30/11/2008

Dunning

Payment

Post incoming
Payment

|

1.2 Departments

PRODUCTION	STORAGE	DELIVERY	PURCHASE	PRODUCTION PLANNING	FINANCE	SALES
PRODUCTION ORDER RELEASE	PICKING AND PACKING	DELIVERY	MRP	PLANNED ORDER	GOODS RECEIPT	CUSTOMER ORDER
GOODS ISSUE FOR ORDER	GOODS RECEIPT TO ORDER	GOODS ISSUE	PURCHASE REQUISITION	PRODUCTION ORDER	BILLING	AVAILABILITY CHECK
			PURCHASE ORDER	SCHEDULING AND RESOURCE PLANNING		

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In process map we are following actions in company when customer orders service or product from company.

In this case we have three different departments and specific way how actions follow each other after customer order. First department SD (Sales and Distribution), second MM (Material Management), third PP (Production Planning). These three departments are connected in specific cases. We can simulate three events from process map above. Each action (like Customer Order) is explained only once because actions do not differ from event to event.

First event: Customer orders product. We split (Customer Order) in three parts which we think they occur. First customer does inquiry and gets information about product and he decides that he will buy it. Customer then tells to clerk what he wants and clerk quotes customer's needs (at this point quotation is made). Clerk then makes Sales Order which is sent to system. All this actions are made in Sales department.

From our point of view clerk also makes availability check because he can tell customer if they have product on stock or we need to purchase or manufacture it. This is also made in sales department.

In our first event shop has product in stock so product is allowed to be processed. This is job of delivery in Delivery department.

After delivery sends delivery number of product into picking, Picking and Packing can start. This means product is packed and prepared for customer. This action occurs in Storage department.

In Delivery department they order to issue goods (product). This is in delivery department because this is a logistic action which contains ordering truck, time and address where product must be sent. That is why we think Goods Issue fits more in Delivery department than storage.

After issuing goods company receives payment for their products, this action is processed in Finance department and it is called Billing.

30/11/2008

If happens that customer forgets or don't wishes to pay company starts dunning process. First tries to remind customer about payment and if that is not enough company may take lawsuit against customer. Eventually company should receive payment (Post incoming payment)

Second event: Same as at first event Customer makes a Customer Order which continues with availability checking but in this case shop doesn't have product in stock so it has to run so called MRP (Material Requirement Planning). This happens in Purchase department where employees check what products have to be ordered.

In Purchase department Purchasing Requisition is formed. In this document are listed all products that are not in stock at the moment but we have demand for them. Purchase Requisition becomes Purchasing Order when Purchase department send this document to supplier.

Company receives goods receipt which is processed in Finance department because in this action company pays for bought goods. Goods go from supplier to our stock and this is managed by Storage department.

Availability check is run again because selling person checks if goods are in stock. After acquisition of product we assume they are in stock so process can continue to delivery, picking and packing, goods issue, billing and if necessary dunning and post incoming payment.

Third event: In the last event our customer buys a product which consists of 2 materials. We need to purchase this products and assembly them to the final product, this is then sold and delivered to the customer.

Customer Order again comes to Sales department and after making availability check company notices they don't have products in stock.

So we need to assembly the product, through MRP run we find out that the therefore needed products also out of stock and we need to purchase them.

Purchase department makes Purchase Requisition and later on Purchase Order. Company pays for goods and gets Goods Receipt.

Now company has the components to make new product.

30/11/2008

Simultaneously to the MRP run the production process is planned in production planning. In Production planning department Planned order is formed. In this order company makes document how many products they will make at time (there might be many Customer Orders so plant have to make more products) and in which plant product will be made.

After Planned order Production planning department makes document in form that is understandable to production and this is Production Order.

Production planning department then makes Scheduling and Resource Planning in which is calculated how much components will be used for this bulk of products and how long will take to do this.

Production Order Release is send to Production department because where final product is made or assembled. After production order is released production can start.

As soon as Production department finishes its work they do action Goods Issue for Order where they send goods into stock.

Storage department then confirms acquisition of new made product by Goods Receipt to Order action.

Availability check is run again and this time goods are in stock so it can proceed to Delivery, Picking and packing, Goods Issue, Billing and if necessary Dunning and Post incoming Payment.

3 ExercisesRT 3a

Customer order A is delivered to customer as amount of components from stock, which customer itself will assemble.

We used the following organizational units during this exercise:

Company code:	1000
Plant	1200
Sales Organization	1000

30/11/2008

Distribution Channel	10
Division	00
Storage Location	0002
Purchasing Org.	1000
Purchasing Group	007

3.1.1 Creating New Material By Copying An Existing Material

We created a new material **PT13** like mentioned in the instructions.

The material is used as starting point since no material there cannot be any transaction since we are dealing with Order delivery process.

3.1.2 Customer Creation

We created a customer like mentioned in the instructions:

Customer ID: 400113

And the data shown in the picture below.

The screenshot shows the SAP 'Display Customer: General Data' screen. The customer ID is 400113, and the name is 'Swordcustomer'. The address is 'Piding'. The search terms are 'SWORD'. The street address is '12345'. The postal code is 'DE'. The country is 'Germany'. The region is 'Region München'. The transportation zone is '0000000000'. The PO box address is 'PO Box' and 'Postal code'.

A customer might be a physical person or a company making product order(s) whose data will be needed and stored into system for delivery and billing process.

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3.1.3 Maintaining Material Prices

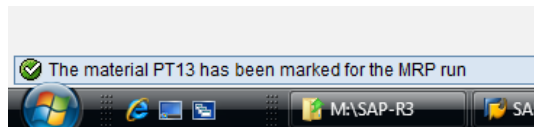
We added the material price of 100€ to our material PT13. The standard price for this material is now 100€.

3.1.4 Customer Material Discount Creation

We added a material discount of 5€ to our material PT 13 for **condition K005**. When we sell our product with **condition K005** the customer will get a 5€ discount.

3.1.5 Maintain the Material to MRP (Material Requirement Planning)

We added our Material (PT13) to MRP. We can now automatically buy through MRP.



Material requirement planning is a production planning and inventory control system used to ensure materials and products are available for production and delivery to customers.

3.1.6 Create Vendor:

A vendor person or a company making where we can obtain materials and services. His data will be needed and stored into the system the purchasing and logistic process.

We created our vendor like the exercise described.

Vendor ID: 52313

And the data shown in the picture below.

30/11/2008

Create Vendor: Address

Vendor: 52313

Name: Company
Swordvendor

Search terms: SWORD

Street address: Richterweg 4, 12345 Piding, DE Germany

PO box address: PO Box, Postal code

Communication: English

3.1.7 Define vendor to be source of our material

We linked our Material PT13 with our vendor: 52313 'Swordvendor'. So when we need to purchase this material, we know that this sells it.

Maintain Source List: Overview Screen

Material: PT13, Plant: 1200, SwordTG01, Dresden

Valid from	Valid to	Vendor	POrg	PP1	OPU	Agreement	Item	Fix	Blk	M...	MRP area
28.09.2008	28.09.2009	52313		1000							

At this point we are finished with the creation of the master data. It's necessary for the process because during the process we will deal with this data.

3.1.8 Creation of sales order

We sold 10pcs of PT13 to our customer Swordcustomer 400113.

30/11/2008

Sales document Edit Goto Extras Environment FI Finnish (Finland)

Create Standard Order: Overview

Standard Order Net value 950,00 EUR

Sold-to party 400113 Swordcustomer // 12345 Piding

Ship-to party 400113 Swordcustomer // 12345 Piding

PO Number 34567890 PO date 08.10.2008

Sales Item overview Item detail Ordering party Procurement Shipping Reason for rejection

Req. deliv.date 0 17.10.2008 Deliver.Plant

☐ Complete div. Total Weight 0,200 KG

Delivery block Volume 0,000

Billing block Pricing date 08.10.2008

Payment card Exp.date

Payment terms ZB01 14 Days 3%, 30/2.. Incoterms CIP Frankfurt

Order reason

Sales area 1000 / 10 / 00 Germany Frankfurt, Final customer sales, M3

Item	Material	Order quantity	SU	Description	S	Customer Material Numb	ItCa	DGL	HgLvlt	D	First date	Plant	Batch	CnTy	Amou
10	PT13	10	PC	pt13	<input checked="" type="checkbox"/>		TAN			D	17.10.2008	1200		PR00	

Net value: 950€ because of 5€ discount per piece.

The availability check says that there is no material in stock. So there is a need to order this material.

Proposed dates by the system:

Sales document Edit Goto Environment System FI Finnish (Finland)

Create Standard Order: Schedule Line Data

Schedule line number 10 1 Sched.line cat. CP Deterministic MRP

Material PT13 pt13

Sales Shipping Procurement

Confirmed quantity 0 PC 1 PC <=> 1 PC

Delivery date D 17.10.2008 Arrival time 00:00

Goods issue date 16.10.2008 GI time 00:00...

Loading date 15.10.2008 Loading time 00:00

Material avail.date 14.10.2008 Matl staging tm. 00:00...

Transportation Plan. Date 14.10.2008 Trans plng time 00:00

Shipping point 1200 Shipping Point Dresden

Route R00120 Dresden - München

Route schedule

Delivery block

Standard Order 12283 has been saved

Blackboard A... SAP Logon 71

30/11/2008

The order number given by the system:

12283

The Sales order number is stored into system in order to associate it to a given customer to be able to handle billing and controlling payments processes as well as controlling the stock by knowing which product belong to which order and also saves all the other information which related to the order.

3.1.9 Defining The Purchase Price

This could have been done before we sold the product right after linking the vendor to the product.

We defined the net price of our material PT13, including the standard quantity, the purchasing group and the planed delay time.

The screenshot shows the SAP 'Create Info Record: Purch. Organization Data 1' dialog box. It is divided into three tabs: 'General data', 'Conditions', and 'Texts'. The 'General data' tab is active, showing fields for 'Info record', 'Vendor' (52313), 'Material' (PT13), 'Material group' (002), 'Purchasing Org.' (1000), 'Swordvender', 'SwordTG01', 'Electronics', and 'Plant' (1200 Standard). Below this is the 'Control' section with fields for 'Plnd dely time' (3 Days), 'Purch. group' (007), 'Standard qty.' (10 PC), 'Minimum qty.' (PC), 'Rem. shelf life' (D), 'Shp.Instr.', 'Maximum qty.' (PC), 'Tol.Underdel.' (%), 'Tol.Overdel.' (%), 'Exp/imp proced.', 'Round.Prof.', 'Unit group', and checkboxes for 'No MText', 'ConfReq', 'Conf.Ctrl', 'Tax Code', 'Unlimited', 'GR-Based IV', and 'No ERS'. The 'Conditions' tab is also visible, showing 'Net price' (10 EUR / 1 PC), 'Effective price' (0.00 EUR / 1 PC), 'Qty Conv.' (1 PC <-> 1 PC), 'Pr. date cat.' (No control), 'Incoterms', 'Valid to', 'No cash disc.', and 'Cond.Grp'.

These are the conditions for buying PT13 from the vendor 52313.

3.1.10 Checking The Stock

Transaction code: md04

30/11/2008

Stock/Requirements List as of 12:10 Hrs

Material: PT13, MRP area: 1200, Plant: 1200, MRP type: PD, Material type: HAWA, Unit: PC

A...	Date	MRP...	MRP element data	Rescheduli...	E...	Rec./reqd.qty	Available qty
08.10.2008	Stock						0
14.10.2008	Order	0000012283/000010/0...				10-	10-

This picture shows us the stock situation where as you can see we have a material (PT13) which does not have any quantity in our stock. On the 14th October minus 10 items will be on stock because on this date the material is needed to satisfy the customer order: 12283.

3.1.11 Creating Purchase Request Through MRP

Transaction code: md02

We initialize a MRP purchase request (automatic mode), for our material PT13 in plant 1200.

3.1.12 Checking The Stock

Stock/Requirements List as of 12:29 Hrs

Material: PT13, MRP area: 1200, Plant: 1200, MRP type: PD, Material type: HAWA, Unit: PC

A...	Date	MRP...	MRP element data	Rescheduli...	E...	Rec./reqd.qty	Available qty
08.10.2008	Stock						0
14.10.2008	PurRqs	0010014234/00010				10	10
14.10.2008	Order	0000012283/000010/0...				10-	0

We still have 0 pcs on stock. But the Purchase Request of Chapter 11 is added to the Stock/Requirement list of PT13, which should provide us with 10 pcs. And so the available quantity of PT13 should be 0 on the 14th October not -10 like the last time we checked the stock.

30/11/2008

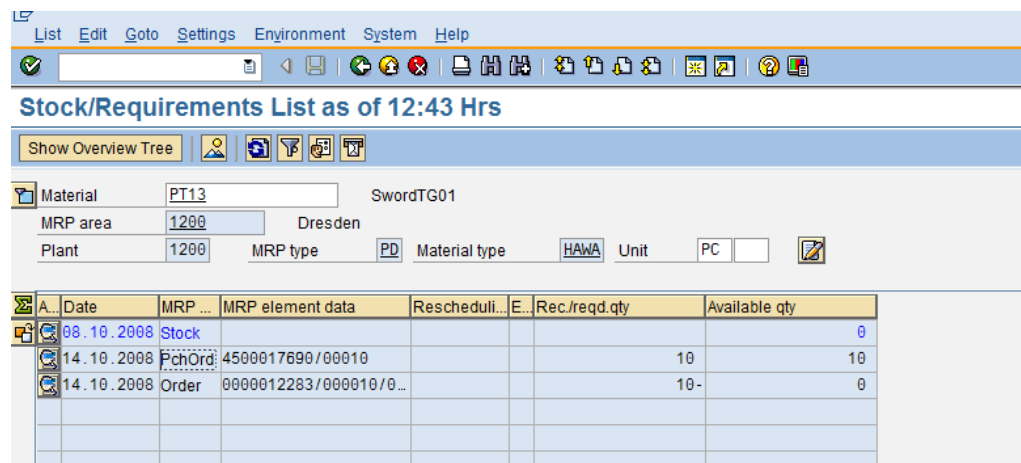
3.1.13 Form Purchase Request To Purchase Order

We transformed the purchase request created in the chapter 11 into an order, like in the instructions mentioned. This means we will buy this material, in the future this material will be delivered to our customer.

Purchase order nr. 450017690 (system generated unique number to identify the purchase).

3.1.14 How The Stock Status Has Changed:

The Purchase Request changed the purchase requisition to a purchase order.

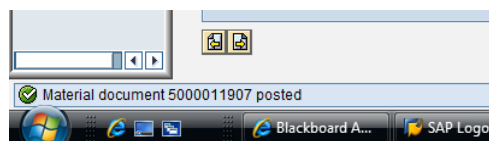


The screenshot shows the SAP Stock/Requirements List for material PT13 at plant 1200. The table displays the following data:

A...	Date	MRP ...	MRP element data	Rescheduli...	E...	Rec./reqd.qty	Available qty
	08.10.2008	Stock					0
	14.10.2008	PchOrd	4500017690/00010			10	10
	14.10.2008	Order	0000012283/000010/0...			10-	0

3.1.15 Receipt Of The Vendor Delivery To Stock

Transaction code: migo



We received the goods, which we ordered in the last chapter, purchase order: 4500017690

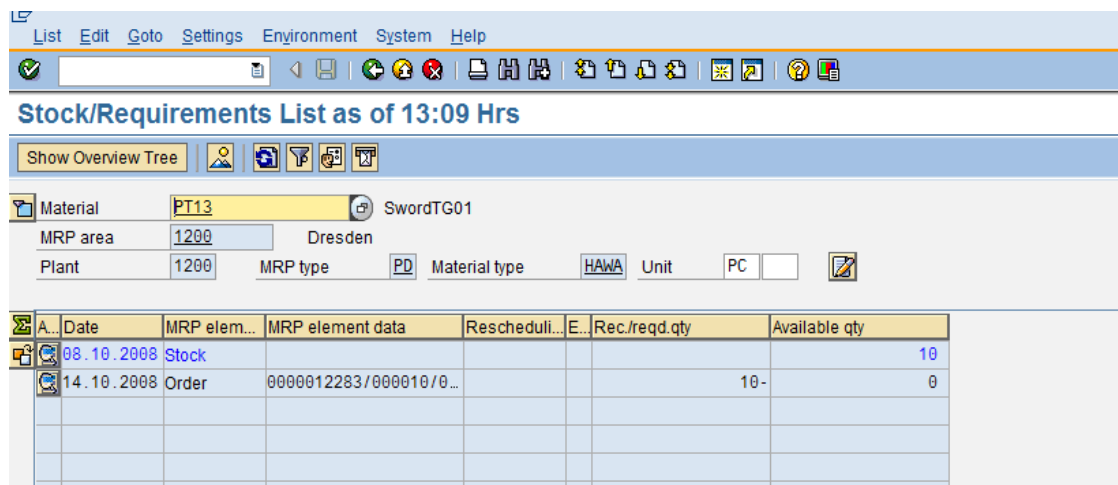
Material document nr: 500011907

This document proves that we received the goods and stored them in Storage location 0002 (Fertigwarenlager).

3.1.16 Checking The Stock

Transaction code: md04

30/11/2008



Stock/Requirements List as of 13:09 Hrs

Show Overview Tree

Material: PT13, MRP area: 1200, Dresden, Plant: 1200, MRP type: PD, Material type: HAWA, Unit: PC

A...	Date	MRP elem...	MRP element data	Rescheduli...	E...	Rec./reqd.qty	Available qty
	08.10.2008	Stock					10
	14.10.2008	Order	0000012283/000010/0...			10-	0

When we compare the last and this stock checking outcome, we see that the purchase order disappeared. Therefore the available quantity is now 10pcs. That is correct because we receipt the goods in the last chapter and these goods are now in stock.

On the 14th October the stock amount should be 0, because of the customer order.

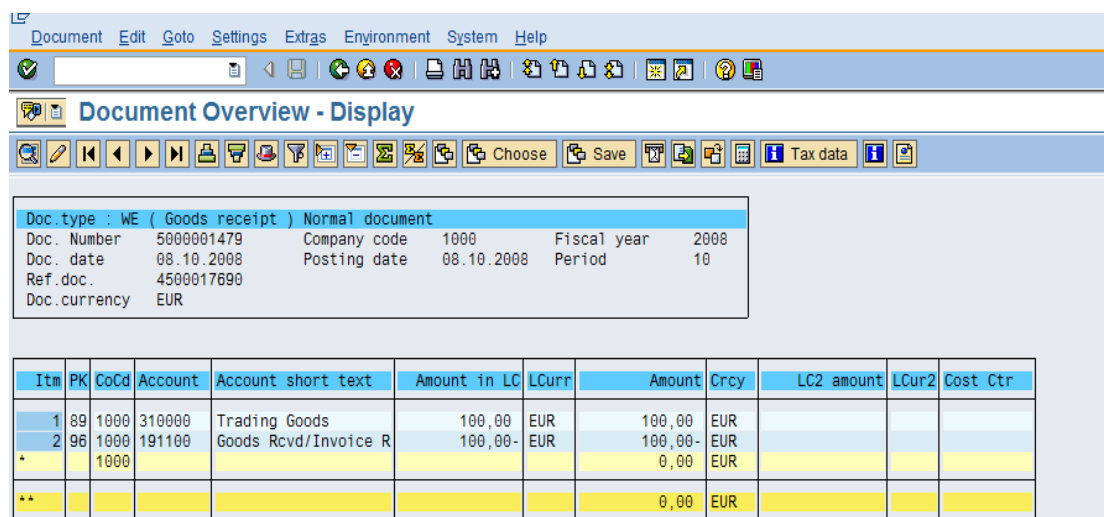
3.1.17 Control Of The Created Document

Transaction code: mb03

Beneath we can see the entries created for financial accounting. The received goods worth 100€ (10pcs per 10€ = 100€) and we also received an invoice over 100€ regarding received goods.

Trading goods:

Account nr: 310000 €: 100,00



Document Overview - Display

Doc.type : WE (Goods receipt) Normal document

Doc. Number	5000001479	Company code	1000	Fiscal year	2008
Doc. date	08.10.2008	Posting date	08.10.2008	Period	10
Ref.doc.	4500017690				
Doc.currency	EUR				

Itm	PK	CoCd	Account	Account short text	Amount in LC	LCurr	Amount	Crcy	LC2 amount	LCur2	Cost Ctr
1	89	1000	310000	Trading Goods	100,00	EUR	100,00	EUR			
2	96	1000	191100	Goods Rcvd/Invoice R	100,00-	EUR	100,00-	EUR			
*		1000					0,00	EUR			
**							0,00	EUR			

30/11/2008

3.1.18 Delivery Of Sales Order To The Customer:

Transaction code: vl01n

First perform item availability check for the sales order number mentioned below, if this is successful, activate complete delivery.

Through the **availability check** we know that the need material is in stock and we can send it to the customer.

Sales order nr: 12883

3.1.19 Create Outbound Delivery With Order Reference

The screenshot shows the SAP 'Create Outbound Delivery with Order Reference' dialog box. The title bar includes 'Outbound Delivery', 'Edit', 'Goto', 'Extras', 'Environment', 'Subsequent Functions', 'System', and 'Help'. The main title is 'Create Outbound Delivery with Order Reference'. Below the title, there are two tabs: 'With Order Reference' (selected) and 'W/o Order Reference'. To the right of the tabs are several icons. The main area contains the following fields:

- Shipping point: 1200 (Shipping Point Dresden)
- Sales order data section:
 - Selection date: 08.10.2009
 - Order: 12283 (with a magnifying glass icon)
 - From item: (empty)
 - To item: (empty)
- Predefine delivery type section:
 - Delivery Type: (empty)

We create an outbound delivery linked to the customer order. This means we organize the transport of the order to the customer. The delivery is saved with the delivery number mentioned below.

Delivery nr: 80014994

3.1.20 Picking For The Delivery & Post Goods Issue

Transaction code: vl02n

Define stock location 002 and quantity 10 of PT13.

30/11/2008

Outbound Delivery 80014994 Change: Overview

Outbound deliv. 80014994 Document Date 08.10.2008
Ship-to party 400113 Swordcustomer // 12345 Piding

Pick Date/Time 14.10.2008 00:00:00 Overall Pick Status C Fully picked
Warehouse No. Overall WM Status No WM transf ord reqd

Item	Material	Plant	SLoc	Delivery quantity	SU	Pick quantity	SU	Batch	B...	Docu. Batc...	P...	Mat. av. dt.	Matl...	Va...
10	PT13	1200	0002	10	PC	10	PC				C	14.10.2008 00:00:00		

We pick the needed material PT13 for the order from the correct stock location in the right plant release the picked delivery from stock through pressing **Post goods issue**.

This means that we release the picked delivery from the stock.

The system confirms that delivery has been saved.

Number of delivery is of course the same: 80014994

3.1.21 Checking The Stock

Stock/Requirements List as of 13:44 Hrs

Material PT13 SwordTG01
MRP area 1200 Dresden
Plant 1200 MRP type PD Material type HAWA Unit PC

A...	Date	MRP ...	MRP element data	Rescheduli...	E...	Rec./reqd. qty	Available qty
08.10.2008	Stock						0

Naturally the stock level is now 0 and the order disappeared because we carried it out.

So we had 10 units in stock and delivered 10 to our customer, our stock level is obviously 0 in the end.

3.1.22 Sales Order 'Document Flow'

Transaction code: va03

Inspection of the sales order document flow.

30/11/2008

Change in inventory:

Account nr: 894025

€ 100,00

The screenshot shows the SAP 'Document Overview - Display' window. The menu bar includes Document, Edit, Goto, Settings, Extras, Environment, System, and Help. The toolbar contains various icons for document navigation and actions. The document details section shows:

Doc.type : WL (Goods issue/delivery) Normal document					
Doc. Number	4900001464	Company code	1000	Fiscal year	2008
Doc. date	08.10.2008	Posting date	08.10.2008	Period	10
Ref.doc.	0080014994				
Doc.currency	EUR				

Below the details is a table with 11 columns: Itm, PK, CoCd, Account, Account short text, Amount in LC, LCurr, Amount, Crcy, LC2 amount, LCurr2, and Cost Ctr.

Itm	PK	CoCd	Account	Account short text	Amount in LC	LCurr	Amount	Crcy	LC2 amount	LCurr2	Cost Ctr
1	99	1000	310000	Trading Goods	100,00-	EUR	100,00-	EUR			
2	81	1000	894025	Inventory change - s	100,00	EUR	100,00	EUR			
*			1000				0,00	EUR			
**							0,00	EUR			

3.1.23 Billing The Customer

Transaction code: vf01

Since the material ordered has been delivered, we are now ready to send the bill to our customer.

We created an invoice for customer 'swordcustomer' for the recently shipped goods.

Billing document nr: 90036138

3.1.24 Realising The Bill (Invoice) For Accounting

Transaction code: vf01

30/11/2008

Change Billing Document

Billing document: 90036138

More Search Criteria

Document Number:

Company Code:

Fiscal Year:

Reference:

Search

We forward the bill to the accounting department. This department is responsible for the payment process.

Billing document number: 90036138

The green flag releases the bill to accounting.

3.1.25 Sales Order 'Document Flow'

Transaction code: va03

In end we checked Sales order document flow. We were able to see all documents created by the order.

Sales order: 12283

Examine every document. Which documents can be entered with 'Display document'?

Every document can be entered, except: Picking request

Document Type	Document Number	Material	Quantity	Unit of Measure	Value	Date	Status
Standard Order	0000012283 / 10	10 PC	10	PC	950.00 EUR	08.10.2008	Completed
Delivery	0080014994 / 10	10 PC	10	PC		08.10.2008	Completed
Picking request	20081008 / 10	10 PC	10	PC		08.10.2008	Completed
GD goods issue/deliv	4900034336 / 1	10 PC	100.00	EUR	100.00 EUR	08.10.2008	complete
Invoice	0090036138 / 10	10 PC	10	PC	950.00 EUR	08.10.2008	Completed
Accounting document	0100001241 / 10	10 PC	10	PC	950.00 EUR	08.10.2008	Not cleared

30/11/2008

3.2 RT 3b

Customer order B is delivered to customer as assembled.

In this exercise we sell an assembled product PH13 consisting of PT13 and PI13 and deliver it to the customer. As the stock is empty we buy products/material and assembly them to PH13. We also create the necessary Master Data.

We used the following organizational units during this exercise:

Company code:	1000
Plant	1200
Sales Organization	1000
Distribution Channel	10
Division	00
Storage Location	0002
Purchasing Org.	1000
Purchasing Group	007

3.2.1 Create BOM

3.2.1.1 Create Material PI13

Transaction code: mmh1

We create the material PI13 like mentioned in the instructions and RT3a.

30/11/2008

Material: PI13 SwordTG02

General data

Base Unit of Measure	PC	piece(s)	Material group	002
Old material number			Ext. Matl Group	
Division	00		Lab/Office	
Product allocation			Prod.hierarchy	001259010000000140
X-plant matl status			Valid from	
<input type="checkbox"/> Assign effect. vals			GenItemCatGroup	SRVM Service material CRM

Dimensions/EANs

Gross weight	0,020	Weight unit	KG
Net weight	0,015		
Volume		Volume unit	
Size/dimensions			
EAN/UPC		EAN category	

Packaging material data

Matl Grp Pack.Matls:

Basic Data Texts

Languages Maintained: 0 Language:

Change for PT13 and PI13 the 'Backflush' value to 1. Available in the MRP2 register card.

3.2.1.2 Create Main Material PH13

Transaction code: mmf1

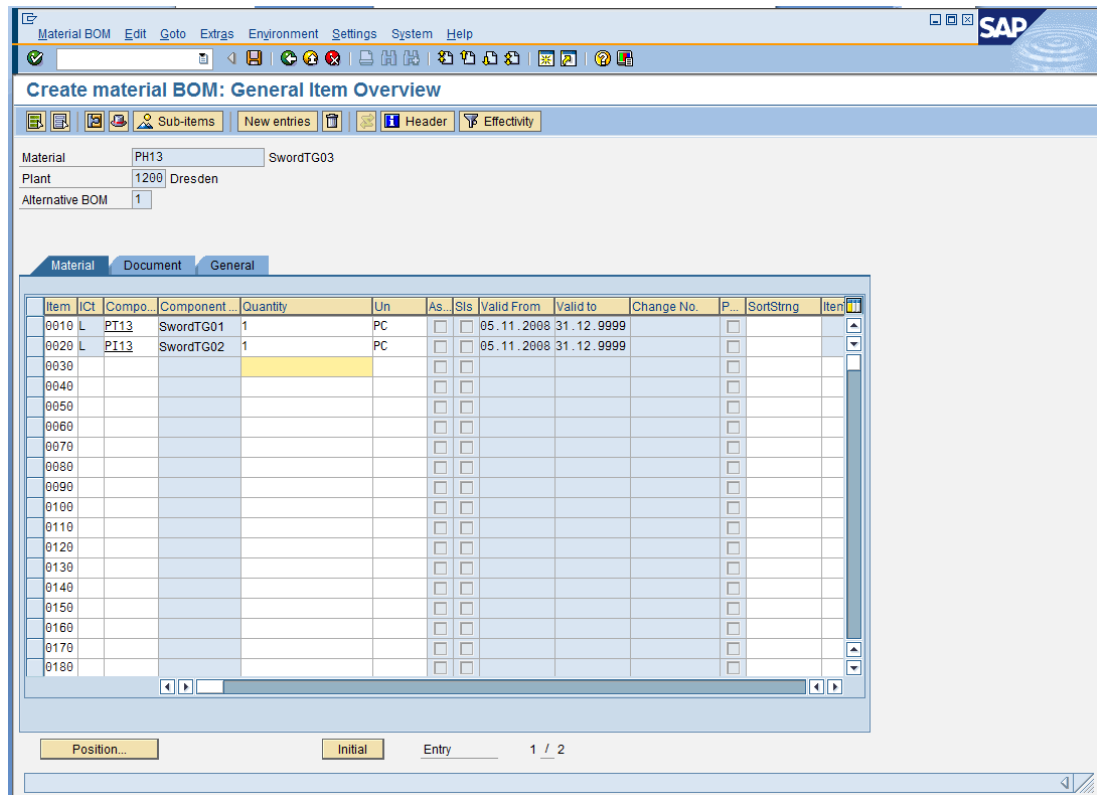
We create the product PH13 using KTC98 as a reference material.

3.2.1.3 Create BOM

Transaction code: cs01

We add PI13 and PT14 to PH13. So PH13 consists of these 2 products.

30/11/2008



The screenshot shows the SAP Material BOM: General Item Overview screen. The title bar indicates the current view is 'Material BOM'. The menu bar includes 'Material BOM', 'Edit', 'Goto', 'Extras', 'Environment', 'Settings', 'System', and 'Help'. The toolbar contains various icons for navigation and editing. The main area displays the 'Create material BOM: General Item Overview' window. At the top, there are input fields for 'Material' (PH13), 'Plant' (1200), 'Alternative BOM' (1), and 'SwordTG03'. Below these, there are tabs for 'Material', 'Document', and 'General'. The 'Material' tab is selected, showing a table of components. The table has columns for Item, Ict, Compo..., Component..., Quantity, Un, As..., Sls, Valid From, Valid to, Change No., P..., SortString, and Item. The first two rows are highlighted in yellow. The first row shows Item 0010, Ict L, Compo... PT13, Component... SwordTG01, Quantity 1, Un PC, As... ☐, Sls ☐, Valid From 05.11.2008, Valid to 31.12.9999, Change No., P... ☐, SortString, and Item. The second row shows Item 0020, Ict L, Compo... PI13, Component... SwordTG02, Quantity 1, Un PC, As... ☐, Sls ☐, Valid From 05.11.2008, Valid to 31.12.9999, Change No., P... ☐, SortString, and Item. Below the table, there are buttons for 'Position...', 'Initial', and 'Entry'. The status bar at the bottom shows '1 / 2'.

Item	Ict	Compo...	Component...	Quantity	Un	As...	Sls	Valid From	Valid to	Change No.	P...	SortString	Item
0010	L	PT13	SwordTG01	1	PC	<input type="checkbox"/>	<input type="checkbox"/>	05.11.2008	31.12.9999		<input type="checkbox"/>		
0020	L	PI13	SwordTG02	1	PC	<input type="checkbox"/>	<input type="checkbox"/>	05.11.2008	31.12.9999		<input type="checkbox"/>		
0030						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0040						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0050						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0060						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0070						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0080						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0090						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0100						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0110						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0120						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0130						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0140						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0150						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0160						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0170						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		
0180						<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>		

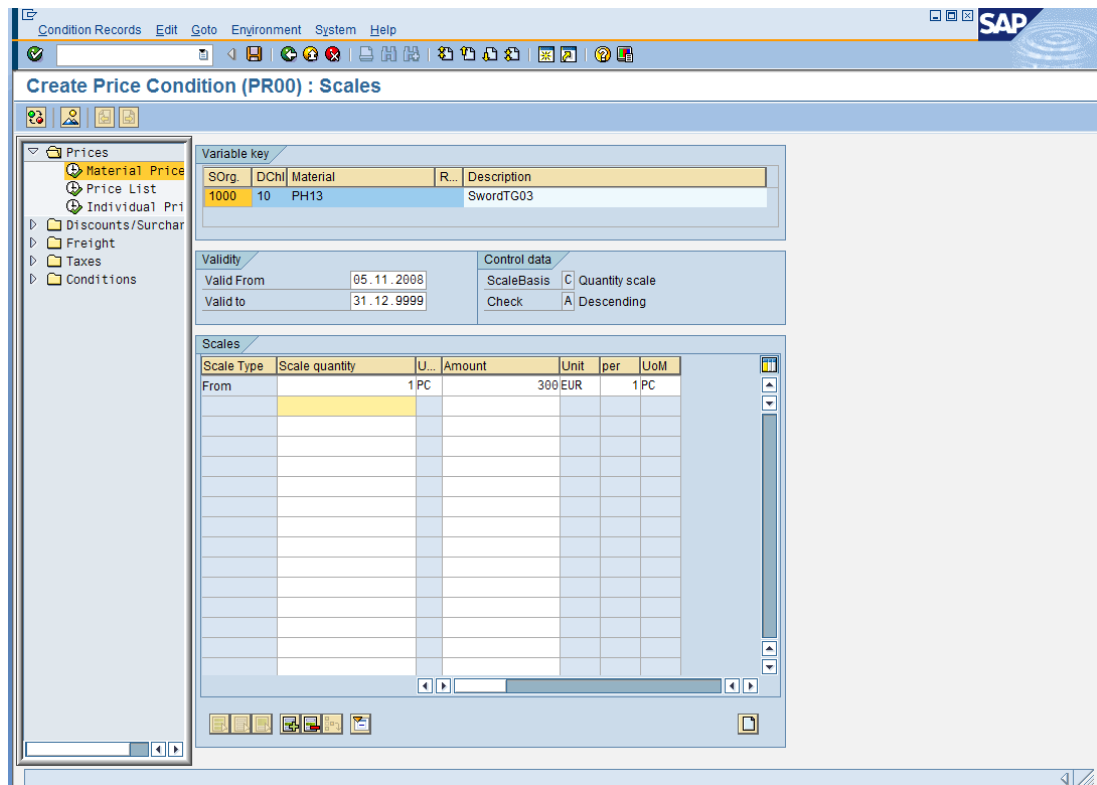
And we maintain the material price to PH13.

Transaction code: vk31

Price 300€ per piece (This is the standard sales price for the product)

Scale quantity: 1

30/11/2008



The screenshot shows the SAP 'Create Price Condition (PR00) : Scales' window. The left sidebar contains a tree view with 'Prices' expanded, showing 'Material Price', 'Price List', and 'Individual Price'. The main area is divided into several sections:

- Variable key:** A table with columns SOrg, DChl, Material, R..., and Description. The values are 1000, 10, PH13, and SwordTG03.
- Validity:** Fields for Valid From (05.11.2008) and Valid to (31.12.9999).
- Control data:** Fields for ScaleBasis (C Quantity scale) and Check (A Descending).
- Scales:** A table with columns Scale Type, Scale quantity, U..., Amount, Unit, per, and UoM. The first row shows 'From' with a scale quantity of 1 PC, amount of 300 EUR, and unit of 1 PC.

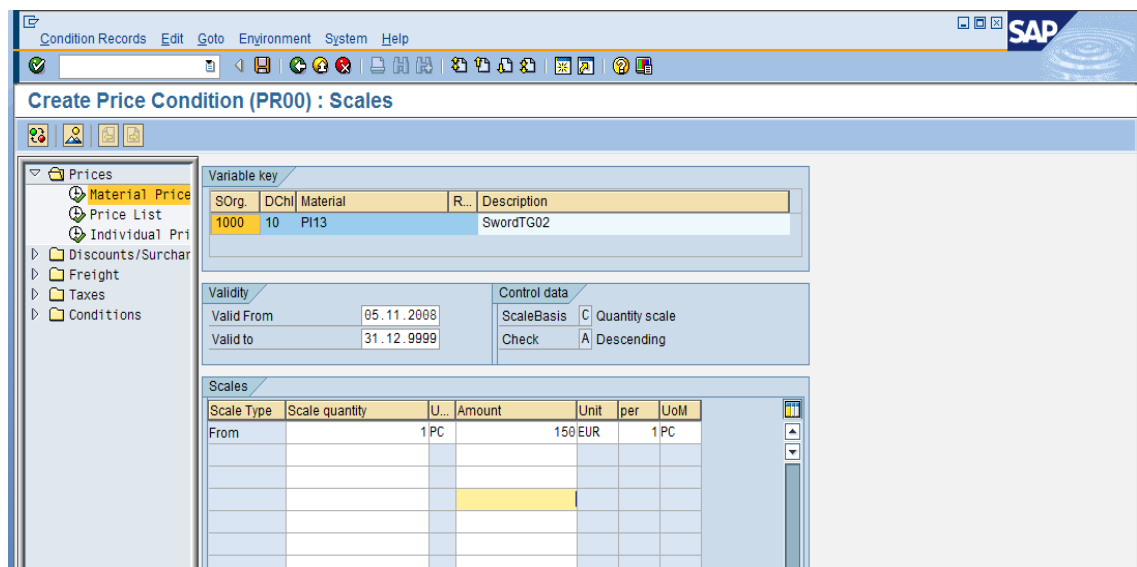
3.2.1.4 Maintain Material Price And Define Purchase Price To PI13

Maintain material price to PI13.

Transaction code: vk31

Price 150€ per unit (This is the standard sales price of the material).

Scale quantity: 1



The screenshot shows the SAP 'Create Price Condition (PR00) : Scales' window, similar to the first one but with updated data:

- Variable key:** The Material field now contains 'PI13' and the Description is 'SwordTG02'.
- Validity:** The Valid From and Valid to dates remain the same (05.11.2008 to 31.12.9999).
- Control data:** The ScaleBasis (C Quantity scale) and Check (A Descending) remain the same.
- Scales:** The first row in the table shows a scale quantity of 1 PC, an amount of 150 EUR, and a unit of 1 PC.

30/11/2008

3.2.1.5 Defining The Purchasing Price Of PI13

Transaction code: me11

Maintain purchase price to PI13

Vendor: 52313

Purch. org.: 1000

Plant: 1200

We define the purchase price for PI13 with 15€

So we get our material for 15€ per unit from our vendor 52313 'Swordvender'.

The screenshot displays the SAP ME11 transaction 'Create Info Record: Purch. Organization Data 1'. The 'General data' tab is active, showing the following fields:

- Info record: [Empty]
- Vendor: 52313
- Material: PI13
- Material group: 002
- Purchasing Org.: 1000
- Swordvender
- SwordTG02
- Electronics
- Plant: 1200

The 'Control' tab shows the following fields:

- Plnd dely time: 3 Days
- Purch. group: 007
- Standard qty: 10
- Minimum qty: [Empty]
- Rem. shelf life: 0
- Shp.Instr.: [Empty]
- Maximum qty: [Empty]
- Tol.Underdel.: [Empty] %
- Tol.Overdel.: [Empty] %
- Tolerance Limit: Overdelivery
- No MText
- ConfReq
- Conf.Ctrl
- Tax Code
- No ERS
- ExpImp proced.: [Empty]
- Round.Prof.: [Empty]
- Unit group: [Empty]

The 'Conditions' tab shows the following fields:

- Net price: 15 EUR / 1 PC
- Effective price: 0,00 EUR / 1 PC
- Qty Conv.: 1 PC <-> 1 PC
- Pr. date cat.: No control
- Incoterms: [Empty]
- Valid to: [Empty]
- No cash disc.
- Cond.Grp: [Empty]

A status bar at the bottom of the window displays the message: 'Purchasing info record 5300006317 1000 1200 created'.

Purchasing info successfully created.

3.2.1.6 Maintain Main Product PH13 and material PI13 to MRP

We add PH13 and PI13 to MPR!

Transaction code: md20

Use:

MRP area: 1200

Plant: 1200

30/11/2008

Check the following boxes:

Net change planning

Plng file entry NETPL

Reset ord.props

PI13:

The screenshot shows the SAP 'Create Planning File Entries' dialog box. The 'Material' field is set to 'PI13', 'MRP area' is '1200', and 'Plant' is '1200'. In the 'Planning file entry' section, the following options are checked: 'Net change planning', 'Plng file entry NETPL', and 'Reset ord.props'. The 'Re-explode BOM' option is unchecked. The 'Planning date' field is empty. At the bottom, a status bar indicates 'The material PI13 has been marked for the MRP run'.

PH13:

The screenshot shows the SAP 'Create Planning File Entries' dialog box for material 'PH13'. The 'Material' field is set to 'PH13', 'MRP area' is '1200', and 'Plant' is '1200'. In the 'Planning file entry' section, the following options are checked: 'Net change planning', 'Plng file entry NETPL', and 'Reset ord.props'. The 'Re-explode BOM' option is unchecked. The 'Planning date' field is empty. At the bottom, a status bar indicates 'The material PH13 has been marked for the MRP run'.

30/11/2008

PT13 is already added to MRP (Exercise RT3a).

When these materials are needed, we can order them automatically through MRP. As we linked PI13 & PT13 to PH13 the system will also check stock level and order if necessary PI13 & PT13 when only PH13 is needed.

3.2.2 Create Scheduling And Resource Planning:

In this chapter we define the assembling process for our product. We derive it from DPC4000. Our Product PH13 already consist of PI13 and PT13, we combined them in chapter 1.3.

Transaction code: ca01

Enter

Material: PH13

Plant: 1200

Press COPY-From button

Select Routing:

In the following window enter:

Material: DPC4000

Plant: 1200

It means we use the process of DPC400 to manufacture our PH13.

Press Enter.

In the following window enter under General Data

Status: 4

In the next step we had to go through the production operations. The outcome you can see in the following screen.

30/11/2008

Material PH13, Plant 1200, Grp.Count1

Op...	SOp	Work ce...	Plant	Co...	Standar...	Description	Lo...	P...	Cl...	O...	P...	C...	S...	Base Quantity	U...	Setup	Unit/Activity	Machine	Unit/Activity
0010			1200	PP04		Vorbereitung der Teile								1	PC		MIN		MIN
0020			1200	PP04		Bestückung IDE Leiterkarte								1	PC		MIN		MIN
0030			1200	PP04		Bestückung SCSI Leiterkarte								1	PC		MIN		MIN
0040			1200	PP04		Netzversorgung auf 220V ändern								1	PC		MIN		MIN
0050			1200	PP04		Netzversorgung auf 110V ändern								1	PC		MIN		MIN
0060			1200	PP05		Endmontage								1	PC		MIN		MIN
0070			1200											1	PC				

Operation 10 (1): is used to prepare the parts



Operation 60 (6): final assembling

Our product PH13:

Material PH13, Plant 1200

GrC	Task list description	Plant	U...	St...	Pl...	From Lot Size	To lot size	Unit	D...	Change Num...	Valid From	Valid to	Created on	Created by	Changed on	Changed by
1	Desktop PC 4000sword	1200	1	4	0		99.999.999	PC			05.11.2008	31.12.9999	05.11.2008	SYS139213	05.11.2008	SYS139213

Save the scheduling and resource planning!

Material PH13, Plant 1200

Validity

Change Number

Key date 05.11.2008

Revision level

Additional data

Profile

Routing was saved with group 50001628 and material PH13.

Finished creation of master-data.

30/11/2008

3.2.3 Test Production Process

3.2.3.1 Create Sales – PH13

Transaction code: va01

We create a sales order of 19 pcs (300€ per piece) of PH 13 and sell them our Customer.

Customer: 400113 'Swordcustomer'

Type: OR 'Standard order'

Organizational data: like mentioned in the beginning of the report.

Create Standard Order: Overview

Standard Order: Net value: 5.700,00 EUR

Sold-to party: 400113 Swordcustomer // 12345 Piding

Ship-to party: 400113 Swordcustomer // 12345 Piding

PO Number: 1234567890 PO date: 10.11.2008

Sales | Item overview | Item detail | Ordering party | Procurement | Shipping | Reason for rejection

Req. deliv. date: D 19.11.2008 Deliver. Plant:

☐ Complete div. Total Weight: 19 KG

Delivery block: Volume: 0,000

Billing block: Pricing date: 10.11.2008

Payment card: Exp. date:

Payment terms: ZB01 14 Days 3%, 30/2... Incoterms: CIP Frankfurt

Order reason:

Sales area: 1000 / 10 / 00 Germany Frankfurt, Final customer sales, M3

Item	Material	Order quantity	SU	Description	S	Custome...	ItCa	DG	HgLvlt	First date	Pint	B	CnTy	Amount	Crcy	Net price	per U...	Net value	Doc...
10	PH13	19PC		SwordTG03	<input checked="" type="checkbox"/>		TAN			D 19.11.2008	1200		PR00	300,00	EUR	300,00	1PC	5.700,00	EUR
					<input type="checkbox"/>					D 19.11.2008									
					<input type="checkbox"/>					D 19.11.2008									
					<input type="checkbox"/>					D 19.11.2008									
					<input type="checkbox"/>					D 19.11.2008									
					<input type="checkbox"/>					D 19.11.2008									
					<input type="checkbox"/>					D 19.11.2008									

No PH13 items are in stock, so in the future (19.11.2008 required delivery date) there will be missing 19 pcs. So we will order them through MRP.

30/11/2008

Sales document Edit Goto Environment System Help

Create Standard Order: Schedule Line Data

Schedule line number 10 1 Sched. line cat. CP Deterministic MRP
Material PH13 SwordTG03

Sales Shipping Procurement

Confirmed quantity 0 PC 1 PC <=> 1 PC

Delivery date	D 19.11.2008	Arrival time	00:00
Goods issue date	18.11.2008	GI time	00:00
Loading date	17.11.2008	Loading time	00:00
Material avail. date	14.11.2008	Matl staging tm.	00:00
Transportation Plan. Date	14.11.2008	Trans plng time	00:00

Shipping point 1200 Shipping Point Dresden
Route R00120 Dresden - München
Route schedule
Delivery block

According to the schedule the material for PH13 (PT13 & PI13) has to be ready at least on the 14.11.2008, so that the delivery can be done in the planed time.

The order number given by the system for this order: 12426

When we check now our stockpile, we see that there are at the moment 0 pcs of PH13 in stock. And at 14.11.2008 there will be -19 in stock (customer order 12426).

3.2.3.2 Start MRP for ordered main product PH13

3.2.3.2.1 Process MRP Single-item planed order

Transaction code: md02

We initialise a MRP planned order for our material PH13 in plant 1200 because there is no material in stock to satisfy our customer.

During this process the system also creates purchasing requests for PI13 and PT13 because these are also needed to produce PH13.

Outcome of MRP

30/11/2008

List Edit Goto System Help					
<div> </div>					
Single-Item, Multi-Level					
Statistics					
Materials planned					3
Materials with new exceptions					3
Materials with terminated MRP list					
Parameters					
MRP Area					1200
PInt					1200
Processing Key					NETCH
Create Purchase Requisition					2
Sched. Agreement Schedule Line					3
Create MRP List					1
Planning Mode					1
Scheduling					1
Database statistics					
Planned orders created					1
Purchase requisitions created					2
Dependent requirements created					2
Run-time statistics					
Start of planning run					15:19:59
End of planning run					15:28:00
Planning run time					00:08:01
CPU time: net calc. and lot-size calc					00:00:01
.. BADI: Change char. value assignmt					00:00:01
CPU time: BOM explosion					00:00:01
.. BADI: Alternative Explosion					00:00:01
CPU time: update					00:00:02
Ranking list for materials with highest CPU times (in ms)					
Material	MRP area	PInt			
PlgRunTime	Read	Net calc.	BOM	LdTimeSched	Update
PT13	1200		1200		
209.067	9	18	1	0	440
PI13	1200		1200		
173.507	8	8	0	0	573
PH13	1200		1200		
98.489	31	859	752	106	570

Under statistic we can see that the system created **1 planned order** (PH13) and **2 Purchase Requisitions** (PI13 & PT13) which are also dependent requirements (because needed for the creation of PH13)

Summary of the MRP run, PH13 and the material (P'T13 & PI13) which is needed to produce it are ordered.

Multilevel Order Report

</

3.2.3.2.2 Convert Purchase Request To Purchase Order PI13 & PT13

The purchase department transforms the purchase request to a purchase order.

30/11/2008

So we purchase PT13 & PI13 from our vendor.

PI13:

Stock/Requirements List as of 12:52 Hrs

Show Overview Tree

Material

PI13

SwordTG02

MRP area

1200

Dresden

Plant

1200

MRP type

PD

Material type

HAWA

Unit

PC

A.	Date	MRP element	MRP element data	Reschedul...	E.	Rec./reqd.qty	Available qty	Sto.
	12.11.2008	Stock						0
	11.11.2008	DepReq	PH13				19-	0 - 000
	14.11.2008	PurReq	0010014391/00010	11.11.2008	30		19	0

Additional Data for MRP Element

Purch.req.

0010014391 / 000010

Planned dates

14.11.2008

☐ Firmed

Quantity

19

PC

Delivery date

14.11.2008

Doc.type

NB

Release date

10.11.2008

GR pr.time

0

Vendor

Exception

30 = Plan process according to schedule (11.11.08)

06 = Start date in the past

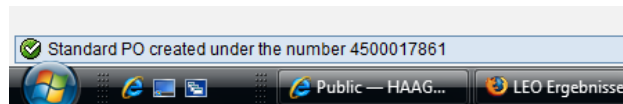
-> Purchase Order

VendorID: 52313 'Swordvendor'

Quantity: 19 pcs

Purchase Requisition: 10014391 (underlined in the picture above) transforming to

Purchase order: 4500017861



PT13:

VendorID: 52313 'Swordvendor'

[List](#)
[Edit](#)
[Goto](#)
[Settings](#)
[Environment](#)
[System](#)
[Help](#)

Stock/Requirements List as of 13:50 Hrs

[Show Overview Tree](#)

Material: PT13 SwordTG01

MRP area: 1200 Dresden

Plant: 1200 MRP type: PD Material type: HAWA Unit: PC

A	Date	MRP ...	MRP element data	Reschedul...	E	Rec./reqd.qty	Available qty	Sto...
	12.11.2008	Stock					0	
	11.11.2008	DepReq	PH13			19-	19-	0002
	14.11.2008	PchOrd	4500017869/00010	11.11.2008	<u>10</u>	19	0	

Quantity: 19 pcs

Purchase Requisition: 10014392

Transforming to

Purchase order nr: 4500017860

30/11/2008

3.2.3.3 Receipt Materials PT13 and PH13 to stock

Transaction code: migo

We Receipt PT 13 and PI13 (19 pcs each) add them to stock:

PT13:

Purchase order: 4500017860

PI13:

Purchase order: 4500017861

The screenshot shows the SAP MIGO transaction interface. The title bar indicates 'Goods Receipt Purchase Order 4500017861 - SYS139213'. The left sidebar shows a navigation tree with 'Purchase Orders' selected. The main area displays the 'General' tab with fields for Document Date (12.11.2008), Delivery Note (4500017861), Vendor (Swordvondor), Posting Date (12.11.2008), and Bill of Lading. Below this is a table with columns: Line, Stat, Material ShortText, OK, Qty in UnE, E, Stor.Loc, Profit Center, Purchase o., B., Va., DB No., M., D, Stock type, Pint, Special Stock, and Custo. The table contains two rows: Line 1 for Material SwordTG01 and Line 2 for Material SwordTG02, both with a quantity of 19 and stock type 101 + Unrestrict...

Both purchase orders are added to stock.

Confirmation through Material document: 50000012052

The screenshot shows the SAP Material Document 5000012052 posted. The title bar indicates 'Material document 5000012052 posted'. The left sidebar shows a navigation tree with 'Material Documents' selected. The main area displays the 'General' tab with fields for Document Date (12.11.2008), Delivery Note (4500017861), Vendor (Swordvondor), Posting Date (12.11.2008), and Bill of Lading. Below this is a table with columns: Line, Stat, Material ShortText, OK, Qty in UnE, E, Stor.Loc, Profit Center, Purchase o., B., Va., DB No., M., D, Stock type, Pint, Special Stock, and Custo. The table contains two rows: Line 1 for Material SwordTG01 and Line 2 for Material SwordTG02, both with a quantity of 19 and stock type 101 + Unrestrict...

Check stock of PT13:

The screenshot shows the SAP Stock/Requirements List for Material PT13. The title bar indicates 'Stock/Requirements List as of 14:14 Hrs'. The left sidebar shows a navigation tree with 'Material' selected. The main area displays the 'General' tab with fields for Material (PT13), MRP area (1200), Plant (1200), MRP type (PD), Material type (HAWA), and Unit (PC). Below this is a table with columns: A, Date, MRP, MRP element data, Reschedul., E, Rec.reqd.qty, Available qty, and Sto. The table contains two rows: Line 1 for Material PT13 and Line 2 for Material PT13, both with a quantity of 19 and stock type 101 + Unrestrict...

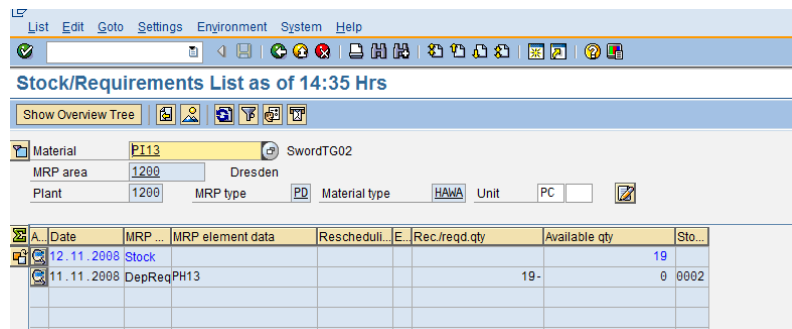
When we compare the latest and this stock checking outcome, we see that the purchase order disappeared.

30/11/2008

Therefore the available quantity is now 19pcs. That is correct because we have already received the goods in this chapter and these goods are now in stock.

On the 11th November (planned date from the system) the stock amount should be zero, because of the customer order (19 pcs needed for production of PH13). But we haven't started the manufacturing process yet, so the depending request of PH is still mentioned, even if the date is already past.

Check Stock Of PI13:



A	Date	MRP	MRP element data	Rescheduli	E	Rec./reqd.qty	Available qty	Sto...
	12.11.2008	Stock					19	
	11.11.2008	DepReqPH13				19-	0	0002

The same result as for PT13.

3.2.3.4 Start To Manufacture Main Product PH13

We can now start the production process of PH13, as we already checked in the last chapter we have enough pieces of PT13 and PI13 on stock.

We convert the planned order to a production order:

Enter:

Planned order nr: 37272 (generated number from the system to identify a planned production)

Order type: PP01 'Planned Order'

Order nr: 12426 (generated number from system to identify customer order)

30/11/2008

Production order Change: Header

Order Release order (Ctrl+F1) Type PP01

Material PH13 SwordTG03 Pint 1200

Status CRTD PRC MANC SETC

General Assignment Goods receipt Control data Dates/qty Master data Long text Administration

Quantities

Total Qty 19 PC Scrap portion 0.00 %

Delivered 0 ExpectYieldVar 0

Dates

	Basic Dates	Scheduled	Confirmed
Finish	14.11.2008 00:00	13.11.2008 16:00	
Start	11.11.2008 00:00	13.11.2008 09:15	00:00
Release		06.11.2008	

Scheduling

Type Backwards

Reduction Reduction level 3

Note No scheduling note

Priority

Floats

Scheduling margin 001

Float bef. prod 2 Workdays

Float after pro. 1 Workdays

Release period 5 Workdays

Through pressing the green flag we release the order.

The system generates the production order: 60003720

Stock/Requirements List as of 15:22 Hrs

Show Overview Tree

Material PH13 SwordTG03

MRP area 1200 Dresden

Plant 1200 MRP type PD Material type FERT Unit PC

A	Date	MRP ...	MRP element data	Rescheduli...	E	Rec./reqd. qty	Available qty	Sto...
	17.11.2008	Stock					0	
	14.11.2008	PrdOrd	000060003720/PP01		07	19	19	0002
	14.11.2008	Order	0000012426/000010/0...			19-	0	

Order number 60003720 saved

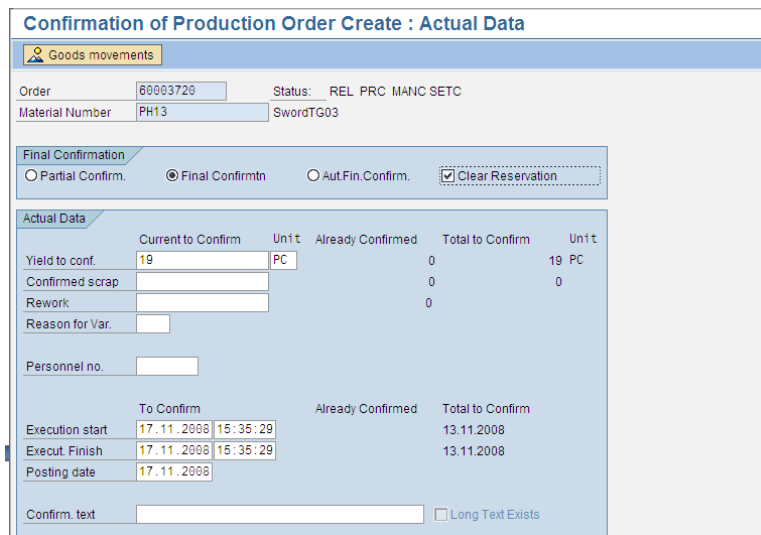
3.2.3.5 To Confirm The Amount Of Manufactured Main Product

30/11/2008

Confirm amount of production:

Transaction code: co15

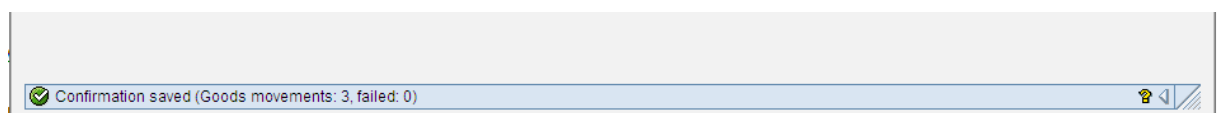
Production order nr: 60003720 (received in the chapter before)



The screenshot shows the SAP 'Confirmation of Production Order Create: Actual Data' screen. At the top, there's a 'Goods movements' button. Below it, the 'Order' field is set to 60003720 and 'Status' to REL PRC MANC SETC. The 'Material Number' is PH13 and 'SwordTG03' is entered. The 'Final Confirmation' section has three radio buttons: 'Partial Confirm.', 'Final Confirmtn' (which is selected), and 'Aut.Fin.Confirm.'. There is also a checked checkbox for 'Clear Reservation'. The 'Actual Data' section contains a table with columns: 'Current to Confirm', 'Unit', 'Already Confirmed', 'Total to Confirm', and 'Unit'. The table has three rows: 'Yield to conf.' with values 19, PC, 0, 19 PC; 'Confirmed scrap' with values 0, 0; and 'Rework' with values 0, 0. Below the table, there are fields for 'Reason for Var.', 'Personnel no.', 'Execution start' (17.11.2008 15:35:29), 'Execut. Finish' (17.11.2008 15:35:29), 'Posting date' (17.11.2008), and 'Confirm. text'. A 'Long Text Exists' checkbox is also present.

	Current to Confirm	Unit	Already Confirmed	Total to Confirm	Unit
Yield to conf.	19	PC	0	19	PC
Confirmed scrap	0		0	0	
Rework	0		0	0	

We take 'Final confirmation', this means no further confirmations are required. So to speak this is already the final confirmation. We also take 'Clear Reservation', in combination with 'final confirmation' the indicator 'delivery completed' will be set. And we move the goods to the production with 'goods movement' and save the process.



When we choose to move goods and saved we got message that 3 goods are moved. That's the amount of products we need for the production so we were satisfied with our work. We didn't get error so we didn't have to perform task with error handling.

3.2.3.6 Deliver Main Product To Customer

3.2.3.6.1 Check Stock Of PH13

30/11/2008

Stock/Requirements List as of 15:19 Hrs

Show Overview Tree

Material: PH13, SwordTG03
MRP area: 1200, Dresden
Plant: 1200, MRP type: PD, Material type: FERT, Unit: PC

A. Date	MRP ...	MRP element data	Reschedul...	E. Rec./reqd. qty	Available qty
18.11.2008	Stock				19
14.11.2008	Order	0000012426/000010/0...		19-	0

At the moment (18.11.2008) we have 19 pcs on stock. This is correct because we produced them already. On the 14.11.2008 there is a customer order mentioned. We were not able to fulfil this customer order because the required material was not in stock. Now we can execute this customer order, enough material is in stock.

3.2.3.6.2 Check Stock Of PI13 & PT13

Stock/Requirements List as of 15:31 Hrs

Show Overview Tree

Material: PI13, SwordTG02
MRP area: 1200, Dresden
Plant: 1200, MRP type: PD, Material type: HAWA, Unit: PC

A. Date	MRP ...	MRP element data	Reschedul...	E. Rec./re...	Available qty
18.11.2008	Stock				0

Stock/Requirements List as of 15:32 Hrs

Show Overview Tree

Material: PT13, SwordTG01
MRP area: 1200, Dresden
Plant: 1200, MRP type: PD, Material type: HAWA, Unit: PC

A. Date	MRP ...	MRP element data	Reschedul...	E. Rec./reqd. qty	Available qty
18.11.2008	Stock				0

As assumed both PI13 and PT13 are out of stock. We used these 2 materials to produce PH13 and ordered only enough pieces to produce the right amount (ordered amount) of PH13.

30/11/2008

3.2.3.6.3 Customer Delivery Of Product PH13

[illegible]

First we run an availability check and determine if the needed material for the order is in available.

Sales order nr: 12426

Transaction code: va02

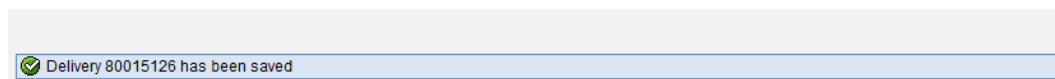
The need material is available so we can allow/activate the complete delivery.

3.2.3.6.3.1 Create Outbound Delivery With Order Reference

Transaction code: vl01n

We create an outbound delivery linked to the customer order. The delivery is saved with the delivery number mentioned below.

Delivery nr: 80015126



3.2.3.6.3.2 Picking For The Delivery & Post Goods Issue

Transaction code: vl02n

Enter

Delivery nr: 80015126

30/11/2008

The stock department packs needed material for the delivery.

Define stock location 002 and pick quantity 19 of PT13.

We pick the needed material PH13 for the order from the correct stock location in the right plant.

Release the picked delivery from stock through pressing Post goods issue.

The system confirms that delivery has been saved.

Number of delivery is of course the same: 80015126

The picked material is of course subtracted from stock because it is sent to the customer.

3.2.3.7 Checking Stock Of PH13

Naturally the stock level is now 0 and the order disappeared because we carried it out.

So we had 19 units in stock and delivered 19 to our customer, our stock level is obviously 0 in the end.

2 Summary

In general from this report we will get a full understanding of how to collect organization's data into one centralized system, which allows us to get data easily without going through each separate system, in order to manage this collection we also need to know the organization structure for an easy management of customer orders which is one of our main goals.

Having a functional and understandable system we are able to use it by creating, storing and processing data such as material creation, customer order processing, and bill of material creation. Once the master data is ready in each step and connected together we have a very useful complex system that holds all information we need to handle our production, purchasing, selling and billing which four parts are sufficient to manage our business.

3 Feedback

We as group 3 in the SAP 1 business Application course, we would like to use this opportunity to appreciate haaga-helia university of applied sciences to have this SAP course available at the institution and also to have such a well disciplined and knowledgeable lecturer for the course as you exercised patience and understanding in helping us understand the course as a class and as well as individuals.

From as much as we had a mixture of both local university students, exchange students and open university students, we all received lectures as one SAP family. From the theory we had from guest speakers and the practical work we partook in class i.e. actually using the SAP software with your unsurpassed guidance and knowledge we would proudly say that by now we can work in any company using SAP ECC and we would grade the course 95%.

4 Source Of Information

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30/11/2008

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RT 4 Exercise, group work

30/11/2008