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## **MASTER DATA IN SAP ERP**

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Master data is the core or foundation of any business. It is by far the most critical data a business should guard jealously. Customer base, supply chain partners, products and services, account information, as well as the connections that exist among these entities are some of the examples of a Master Data. In general, a detailed description of an organization can be obtained just by taking a critical look at the master data. This is because each item in the master data represents information that is required across multiple business procedures, groups, and operational processes.

Master data identifies key concepts upon which all the different units in an organization must agree, both in interpretation and application. For instance, it is critical that all units of an organization understand what constitutes a customer, who those customers are, where they can be found, as well as what products or services they have bought or are interested in purchasing (David, 2009).

The business need of any organization can easily be met with the aid of an SAP which stands for 'Systems, Applications and Products in data processing.' An SAP-ERP (Enterprise Resource Planning) system is a commercial software that will improve the performance of a business, reduce cost, eliminate data redundancy, enhance decision-making (business sense) and guarantee that business demands are met at the right time (Poston & Grabski, 2001). It will merge all information into one central software while taking into account numerous factors such as time and cost.

### **Structure of Data in Sales and Distribution Module in SAP-ERP**

In the SD module, the sales organization is at the top level and its primary concern is to ensure that goods and services are distributed. SAP suggests that the total amount of sales organizations within the organizational structure be kept to a minimum. The reason for this is to ensure that reporting is made easier (IBM Press, 2008).

Immediately after the sales organization is the distribution channel, which specifies the channel through which an organization distributes its products and services to its individual consumers. In a single organization, a segment in the business structure represents a product or service line. The components of a sales entity that are needed before an order can be processed are sales organization, division and distribution channel. Each of the sales organization is allotted a code in the structure. The division and channel are then forwarded to the sales organization, and all these elements combine to form a sales area.

So, in an SAP SD structure, a company code is given to the sales organization thereafter, a division and distribution channel are assigned to the sales organization (Aladwani, 2001).

### **The functions and Integration of master data in Sales and Distribution module**

Master data or material Management is a vital component in the SAP ERP System because it is responsible for all business operations that are connected to data collection and purchases. It works interrelatedly with the finance, product management, sales and distribution and planning modules.

If a sales order is to be created in an SD module, item details, such as price and quantity, are copied from the Material master. The Material Master is also used to generate outbound and inbound supply of goods for a customer order, delivery information, loading and so on. It is only after a sales order has been delivered that we can validate the existence of a link between the SD module and master data.

### **SAP S/4 HANA Capabilities**

SAP HANA is a type of database which supports and runs the most recent versions of SAP software, precisely SAP S/4 HANA. Before the development of HANA, all the available SAP softwares ran on third-party database management systems (DBMS) like Oracle, Informix etc., whereas HANA is SAP's own database inbuilt platform. This allows for much faster data access and analysis. Another remarkable usefulness of SAP HANA is that it is used as an integrative platform in software development (SAP TSCM52, 2006).

The principal objective of SAP HANA is for data storage, extraction, transformation and retrieval as demanded by application and can equally carry out different data analytical processes speedily (Maydanchik, 2007).

SAP S/4 HANA is an ERP built to operate entirely on SAP HANA. It is incompatible with other databases but it allowed users with the options of multiple deployments.

SAP S/4 HANA has revolutionized ERP systems and is widely regarded as one of the most significant upgrades since the launch of its earlier version in 1992, the SAP R/3. Given the evolution of technology over the years, the disparities between SAP R4 HANA and the earlier versions vis-à-vis ERP incorporation are quite huge. It is more robust and highly suited to handle complicated problems with large datasets (SAP TSCM50, 2006).

### **Major Differences**

SAP S/4HANA is more than just a data management system. It can refine and automate operations, as well as place organizations at a vantage point above their competitors. In a nutshell, the following are the major differences between SAP S/4HANA and previous versions:

**Better performance:** The inbuilt database that comes with SAP Hana enables users to view data

in real time. Rather than storing data on a hard disk, data is stored in the primary memory thereby eliminating data redundancy. This data model not only reduces database size, but also enables users to conduct analyses and other database manipulations at the same system.

**Optimized Interface:** Optimized interface: The unique user-interface provides a rather more standardized, easy-to-use and customizable experience for users as they can extract critical information faster, obtain support and updates. Interestingly, it can be used on mobile devices.

More adaptability: SAP S/4HANA is available in a variety of configurations and pricing models. Customers can choose any of three versions available which are premise version, a hybrid model, and a subscription-based cloud version. The cloud version is hosted on a SAP server, which makes it possible for customers to concentrate on tasks at hand rather than on hardware maintenance issues thereby saving them costs. This version of SAP also comes with a faster response time (IBM Press, 2008).

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