**BP315 Business Sub-Process Design Document**

**Request for Quotation**

Cross Industry / Sourcing & Procurement

**SAP - MM**

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# Overview

Request for quotation is a form of invitation that is sent to vendors to submit quotation indicating pricing and their terms and conditions. RFQ contains details about goods or services, quantity, date of delivery and date of bid on which it is to be submitted.

# Document History

## Change History

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Ver.** | **Date** | **Summary of Changes** | **Author** | **Transfer Number** |
| 1.0 | 05/15/2019 | Initial | Guhan Senthil | N/A |
| 2.0 | 03/05/2020 | Changes made as per the new template | Ramya Goka | N/A |

## RASCI

|  |  |  |  |
| --- | --- | --- | --- |
| RASCI | Role | Name | Phone |
| N/A | N/A | N/A | N/A |

R: Responsible; A: Accountable; S: Support; C: Contribute; I: Information;

## Approval Detail

|  |  |  |  |
| --- | --- | --- | --- |
| **Review #** | **Date** | **Name & Position of Approver** | **Signature** |
| 1.0 | 05/15/2019 | Venkat Nadimpalli | Venkat N |
| 2.0 | 03/05/2020 | Venkat Nadimpalli | Venkat N |

## Other Related Documents

|  |  |
| --- | --- |
| Related Document | Comment |
| BP310 | Business Process Flow |
| TE586 | Test Script |
| AP322 | Configuration Details |

# Business Process Overview

A request for quotation (RFQ) is sent to a supplier to request pricing and other information for an item or items. A quotation is the supplier's response to that RFQ.

**Types of Quotations and RFQs:**

There are three types of quotations and RFQs that come with Purchasing by default:

• Catalog: Used for high-volume items or items for which your supplier sends you information regularly. A Catalog quotation or RFQ also includes price breaks at different quantity levels.

• Standard: Used for items you'll need only once or not very often, but not necessarily for a specific, fixed quantity, location, and date. For example, you could use a Catalog quotation or RFQ for office supplies, but use a Standard quotation or RFQ for a special type of pen you don't order very often. A Standard quotation or RFQ also includes price breaks at different quantity levels.

• Bid: Used for a specific, fixed quantity, location, and date. For example, a Bid would be used for a large or expensive piece of equipment that you've never ordered before, or for an item that incurs transportation or other special costs. You cannot specify price breaks for a Bid quotation or RFQ.

For all three types, you can define effectivity dates at the header level. For Catalog and Standard quotations, you can also specify effectivity dates for individual price breaks.

## High level requirements

Master data used for this process are,

|  |  |  |
| --- | --- | --- |
| **Data Object** | **Value** | **Comments** |
| Material | SPRFQ01 | RFQ Test |
| Bidder 1 | 100011 | HP Company |
| Bidder 2 | 100017 | Logistics Vendor1 |
| Bidder 3 | 100019 | PP Vendor-TEST101 |

## Key Value Drivers for the Business Process

The key features of using Request for Vendor Quotation (RFQ) are:

Sourcing Power: Purchasing lets you to negotiate the best deals with your suppliers. You can create requests for quotations, record the results, and reference the corresponding quotation when creating your purchase order. You can also review historical purchase prices so that you can evaluate how to purchase your items more effectively.

Auto Creating RFQ and Quotation Information: You can Auto Create RFQs directly from requisitions. You can also Copy quotations directly from RFQs to facilitate recording responses from your suppliers. If you receive catalog information from your supplier electronically, that information is sent automatically in the form of a catalog quotation.

Supplier Lists: Purchasing lets you create supplier lists so that you can predefine groups of suppliers to whom you want to send RFQs. You can establish supplier lists according to criteria you define (item, manufacturing category, or other) and you can combine supplier lists to produce many copies of your RFQ automatically.

Flexible, Custom Notes: Purchasing lets you quickly add extended Notes and instructions to your RFQs and quotations. You can include standard notes or create your own custom notes. You can use as much descriptive text as you need.

## Leading Practice Inputs

• Identify requisitions that require supplier quotations and automatically create a request for quotation.

• Create a request for quotation with or without approved requisitions so that you can plan ahead for your future procurement requirements.

• Record supplier quotations from a catalog, telephone conversation, or response from your request for quotation. You can also receive quotations electronically.

• Review, analyse, and approve supplier quotations that you want available to reference on purchase orders and requisitions. You should be able to evaluate your suppliers based on quotation information.

• Review quotation information on-line when creating purchase orders or requisitions and copy specific quotation information to a purchase order or requisition.

• Identify a supplier that you want to use only for receiving RFQs and quotations. You can later be able to access purchase history to help you decide if the quotations are acceptable.

# Business Sub-Process Description

Advantages of RFQ:

* Quotation handles your sourcing needs
* Can create an RFQ from requisitions
* Match supplier quotations to your RFQ
* Automatically copy quotation information to purchase orders
* Complete reporting to control your requests for quotations
* Evaluate supplier responses.

Entering the Request for Quotations (RFQ) involves 8 steps as follows:

1. Preparing the Request for Quotation

2. Entering Additional Information

3. Adding Suppliers to the RFQ

4. Adding Suppliers from a Supplier List

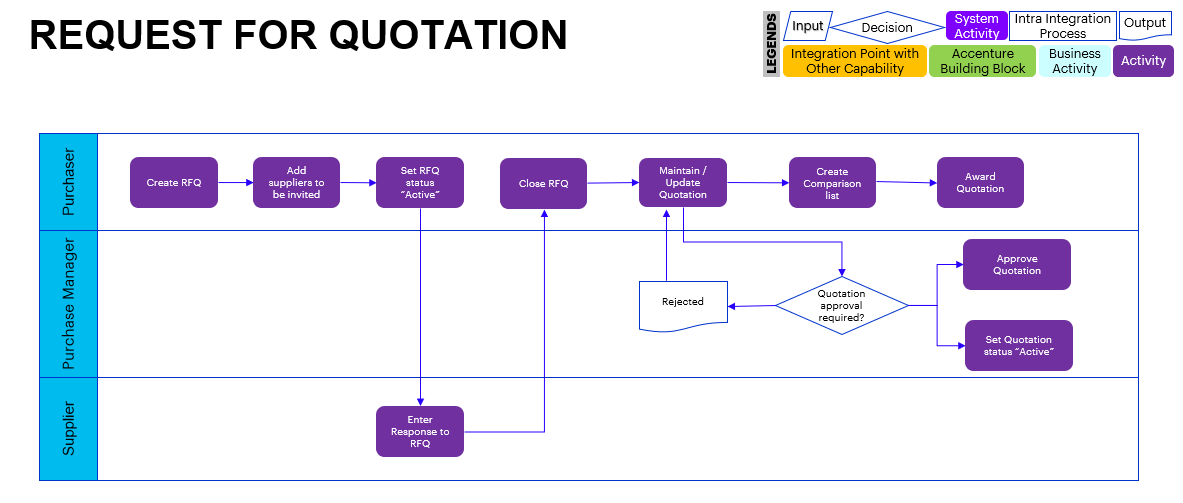
5. Adding Terms to the RFQ

6. Adding Price Breaks to the RFQ

7. Changing the currency for the RFQ

8. Printing the RFQ

## Business Sub-Process diagram



# Sub Process Activities

## Activity List

Activity definition document if applicable for the project & also has references in the process/sub process diagram.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name | Description | Transaction Code, if relevant/Fiori App Name | Roles involved | Regulatory /Other Controls |
| Create Request for Quotation | Create an RFQ for an item. Select document type, Enter the ship-to, bill-to details, response due date, RFQ close date, line item details etc. | Source of Supply Management>Manage RFQs | Purchaser | N/A |
| Create Price Break | Add price break rules to the RFQ is required | Source of Supply Management>Manage RFQs | Purchaser | N/A |
| Add suppliers to the RFQ | Add suppliers to the RFQ who are invited for bidding | Source of Supply Management>Manage RFQs | Purchaser | N/A |
| Change status of RFQ to Active | Change the RFQ status to active to be able to print and communicate the RFQ to the invited suppliers | Source of Supply Management>Manage RFQs | Purchaser | N/A |
| Create Quotation from RFQ | Once the response from the Suppliers are available, use the copy function to copy the RFQ to a quotation, and enter the supplier response details | Source of Supply Management>Manage RFQs | Purchaser | N/A |
| Evaluate responses | Use the quotation summary form and query details to compare and evaluate the responses | Source of Supply Management>Compare Supplier Quotations | Purchaser | N/A |

## Inbound Communication

The Inbound Communication needs to be specifically documented for the client specific situation, like interfacing with external systems, workflow, form & Medium of communication.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Activity | Type (email, form, handoff, etc.) | Automatic/Manual | Source | Description |
| Create Sourcing PO or Contract | External Document, CXML | Automatic/Manual | Vendor | Purchase Order or Contract |
| Request for Quotation | External Document, CXML | Automatic/Manual | Vendor | Request for Quotation sent to vendors |

## Outbound Communication

The Outbound Communication needs to be specifically documented for the client specific situation, like interfacing with external systems, workflow, form & Medium of communication.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Activity | Type (email, form, handoff, etc.) | Automatic/Manual | Source | Description |
| Request for Quotation | EDI | Automatic/Manual | SAP | Request for Quotation sent to vendors |

## Test Conditions

This section captures Test conditions for this sub process for the any specific client requirements. Generic test conditions for this sub process will be within the test scripts.

|  |  |  |
| --- | --- | --- |
| Number | Test Condition – Action | Expected Result |
| 1 | Create RFQ | RFQ maintained for multiple vendors |
| 2 | Maintain Quotation | Quotation has been maintained for the vendors |
| 3 | Maintain Price comparison list | A comparison list with total value and rank is displayed for the vendors |
| 4 | Approve/Reject Quotation | Incase of Rejection, Check the "Reject indicator". Otherwise choose Info Record update option if going to use the quotation |

# Sub-process variation

## Business Unit Led

N/A

## Geography/Legal Entity Led

N/A

# Role definition & organizational impact

The content in this section will serve as input for the training and performance support team’s deliverables.

## Role/Skill Class Inventory

|  |  |  |
| --- | --- | --- |
| Role | Skills | Knowledge |
| Purchaser | Responsible for creating RFQ , Quotation | Purchase related activities |

## Role Summary

|  |  |  |
| --- | --- | --- |
| Role | List of Steps | SAP Transaction /Fiori App details |
| Purchaser | Create RFQ | Manage RFQs |
| Purchaser | Copmare supplier quotations and award | Compare supplier quotations |

## Organizational Impact

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Reference # | Impact Description | Impact (H/M/L) | Impact Type | Impacted Groups |
| N/A | N/A | N/A | N/A | N/A |

# Process Fitness & Gap Analysis

## Process Fitness

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Req ID | Short Description | Long Description | Req. Type | Accenture Reusable Assets |
| 1 | Configuration for RFQ set up | Standard setup for RFQ process in business partner, Docutment type, Number range | configuration | From myConcerto |

## Gap Analysis

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Country/ Region/ Business Impacted | Gap Description | Legal Req. (Y/N) | Magnitude of Impact  (L/M/H) | Solution Type | RICEFW No. | Ref. to Req. id. |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |

# RICEFW

## Reports

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Report Description | Complexity  (H/M/L) | Comments | Use from /  (New / Rework/ Rep) | Ref # from RICEFW inventory |
| my Concerto 1 | Monitor Request For Quotation Items | M | Transactional | New | N/A |

## Interfaces (Inbound / Outbound)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Interface Description | Complexity  (H/M/L) | Comments | Use from /  (New / Rework/ Rep) | Ref # from RICEFW inventory |
| N/A | N/A | N/A | N/A | N/A | N/A |

## Conversions

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Conversion Description | Complexity  (H/M/L) | Comments | Use from /  (New / Rework/ Rep) | Ref # from RICEFW inventory |
| N/A | N/A | N/A | N/A | N/A | N/A |

## Enhancements

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Enhancement Description | Complexity  (H/M/L) | Comments | Use from / (New / Rework/ Rep) | Ref # from RICEFW inventory |
| N/A | N/A | N/A | N/A | N/A | N/A |

## Forms

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Form Description | Complexity  (H/M/L) | Comments | Use from / (New / Rework/ Rep) | Ref # from RICEFW inventory |
| N/A | N/A | N/A | N/A | N/A | N/A |

## Workflows

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Client  RICEFW # | Workflow Description | Complexity  (H/M/L) | Comments | Use from  (New / Rework/ Rep) | Ref # from RICEFW inventory |
| 1 | RFQ approval | M | Workflow should be triggred and autoapproval should happen for RFQ | New | N/A |
| 2 | Quotation Approval | M | Workflow should be triggred and autoapproval should happen for Quotation | New | N/A |

# Integration Points

Generic Integration touch points have been highlighted in this section. It covers dependencies or prerequisites arising from other processes or sub processes. This information should lead to cross functional discussions between different work streams to sort out the interdependencies.

## Integration Issues

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Issue # | Issue Description | Impact | Status | Resolution |
| 1 | RFQ which we create in S4HANA system is not failing in CIG | Medium | Closed | SAP Ariba did changes in CIG |

## Other issues

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Issue # | Issue Description | Impact | Status | Resolution |
| 1 | Automatic Workflow was not getting triggered | High | Closed | It was due to workflow entries was missing |

## Revision History

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Version | Description | Author |
| 02/18/2020 | 1 | Review on UI changes | Ramya Goka |
| 03/04/2020 | 2 | Content Review | Nagesh Srinivasappa |