CASE STUDY

S/4HANA Configuration Case Phase II – Handbook

This handbook comprises all tasks that need to be executed in the SAP system in order for Global Bike to configure the Materials Management module in general and the procurement process in particular.

Product

S/4HANA 2023
Global Bike

Fiori 3.0

Level

Intermediate
Advanced

Focus

ERP Configuration
Materials Management

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4.3

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MOTIVATION

In the initial Global Bike configuration case, you have identified and analyzed problems as well as developed and discussed possible solutions.

After you implemented basics of Financial Accounting in Phase I, now you configure the enterprise structure necessary for purchasing within the Materials Management module.

After setting up the organization units and process parameters you will create necessary master data and test the business process.

PREREQUISITES

Before you use this case, you should be familiar with navigation in the SAP system.

It is also recommended that you have gone through the Intro to ERP Materials Management exercises and case studies based on Global Bike.

NOTES

This case study uses the Global Bike data set which has been created for SAP UA global curricula exclusively.

ACKNOWLEDGEMENT

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Phase II – Materials Management

Learning Objective Understand and configure Materials Management. **Time** 290 min

Phase Scenario After configuring Financial Accounting in S/4HANA in Phase I, implement and test enterprise structures and the procurement process within the Materials Management module.

Name (Position)		
	Bianca Cavarini	(Chief Information Officer)
	Mona Falco	(System Design and Development Manager)
	Sarah Garcia	(Business Analyst 2)
	[external]	(Senior SAP Logistics consultant)
	[external]	(Junior SAP MM consultant)

Scenario setting

After **Bianca Cavadini**'s team has analyzed Global Bike's accounting processes and successfully implemented them in S/4HANA, now the purchasing department is in the spotlight. Two consultants from an external firm are contributing their functional and technical experience in the Materials Management module of the S/4HANA system. Again, three data types need to be implemented in the system: G *organizational data* (enterprise structure and process configuration), G *master data* and G *transactional data*.

Project structure

The graphic and table of content below display the four parts of this phase.

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General Notes and Cautions

Warning: When working with other classmates at the same time in the same transactions within S/4HANA Configuration (transaction *SPRO*), tables will tend to lock up and you will only be able to display them. This is due to the fact that the system will not let multiple users work in the same transaction at the same time. To get passed this message, wait until the current user is finished in the transaction and then proceed.

The ## Symbol: When working with other classmates at the same time, you will be assigned your own unique identifier which is called the ## Symbol or the "Pound" Symbol. This will be your identifier and is ASSIGNED FOR YOUR OWN USE ONLY!!! Please be cautious about other classmates attempting to use your identifier whether it is on purpose or not and if you suspect other classmates using it, inform your professor immediately so that fixes can be made accordingly. For example, if Ashley has an identifier of 09 and David has an identifier of 13, Ashley's company code will be US09 and David's company code will be US13. So, every time you see "##" in this document, it is referring to 09 for Ashley and 13 for David.

The Search Tool: At times in this document, the instructions will ask you to search for something to put in a field. When it does this, simply click on the field itself and click on the icon to the right of it. Clicking on it will bring up another window and you will search from there. You may also search other fields by clicking on the downward arrow that may be on the left or right of the field. It will bring up a drop-down menu that has options to choose from and click.

Please specifically note that when it says *SAP menu* in the navigation, it is referring to the *SAP Easy Access Menu*. This menu is where all of the transactional and master data are entered. The *SAP configuration menu*, also referred to as the *SAP Implementation Guide (IMG)*, is different. For an introduction, please use the navigation exercise (next task).

Saving: In this document, the instructions will tell you to save data and when it does, always press enter to validate. If there are error(s) that occur, they must be corrected before continuing to the next task. You will find errors from a transaction when there are red icons that appear in the message area. Messages that are yellow contain warnings and not errors. At times, these must be fixed in order to move on. However, most of the time, they do not need to be fixed and you can simply press enter to get through them. Green messages are obviously showing that nothing went wrong.

Data Entry: When a data value is in italics then you will need to search for the correct data value using the search tool. When a data value is not italicized then you enter the data as it appears in the tasks. ALWAYS change ## to your identifier. For example: if Data Value is Your Company Code or US## and your identifier is 09, then you would enter US09 into the data field. Also, if the Data Value is United States Dollar, then you would need to use the search tool to locate the appropriate data entry, which will probably be USD.

Introduction to SAP Implementation Guide (IMG)

Task Familiarize yourself with the SAP configuration menu. **Time** 10 min

IMG menu

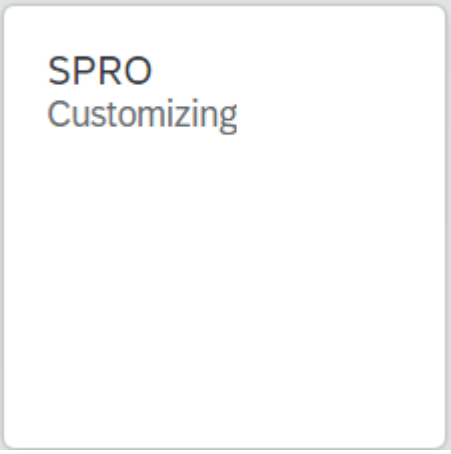
IMG is a menu within the system which lists all configuration activities and tasks. Just like the *SAP Easy Access Menu* for master and transactional data, this menu is the main menu for enterprise structure and process configuration. In contrast to the Easy Access menu, it is not accessible by most employees, but it is used by external consultants or internal key users.

There are three ways to proceed to the IMG menu.

1. in the Fiori Launchpad, in the Customizing area, open the app SPRO

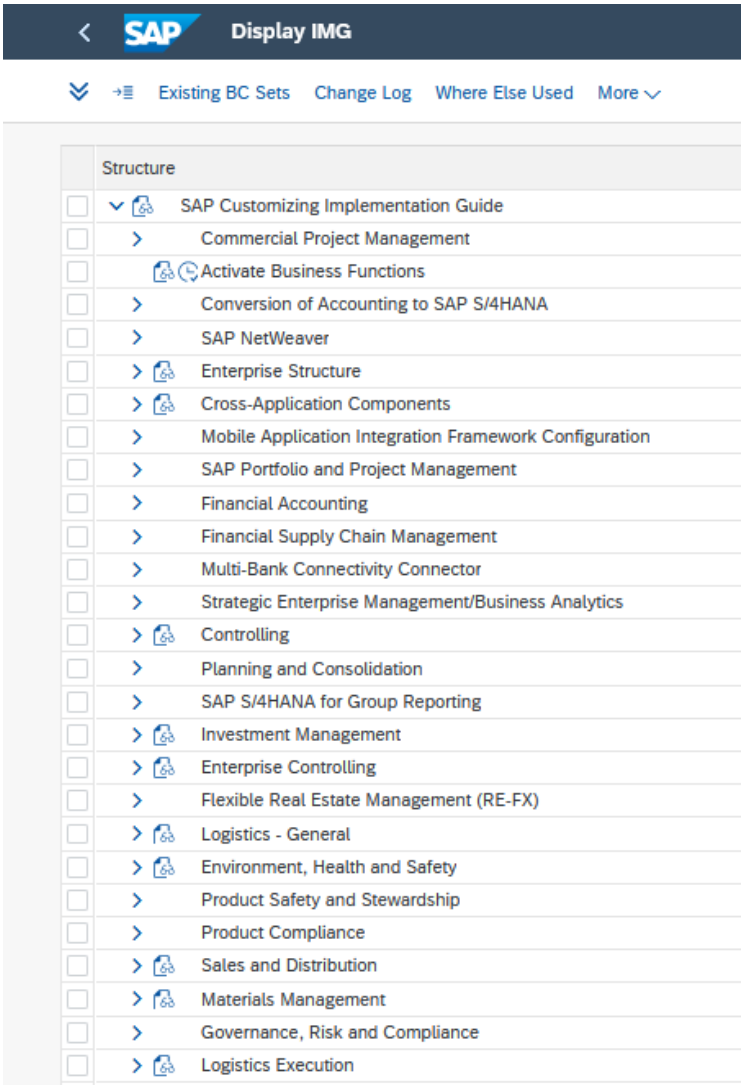
   Menu path

   SAP Fiori Menu ► Customizing ► SPRO► Sap Reference IMG



2. In the *Customizing: Execute Project* screen, on the top left click on the SAP Reference IMG icon.

3. Now, you see the *Display IMG* screen. This is where most tasks will ask you to start from.

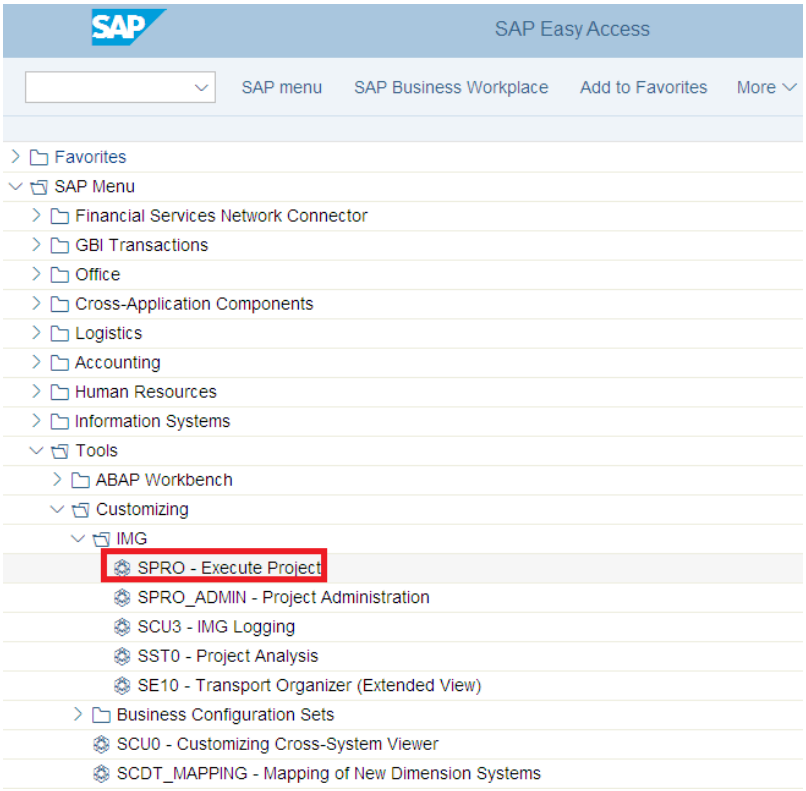


Alternative 1 From the *SAP Easy Access* menu, you may also use the following short cut to start the IMG menu.

1. In the *SAP Easy Access* menu, click on the black arrows on the left to open the following menu path and double-click on *Execute Project*.

SAP Menu ► Tools ► Customizing ► IMG ► Execute Project

Menu path



2. In the *Customizing: Execute Project* screen, on the top left click on the SAP Reference IMG icon.

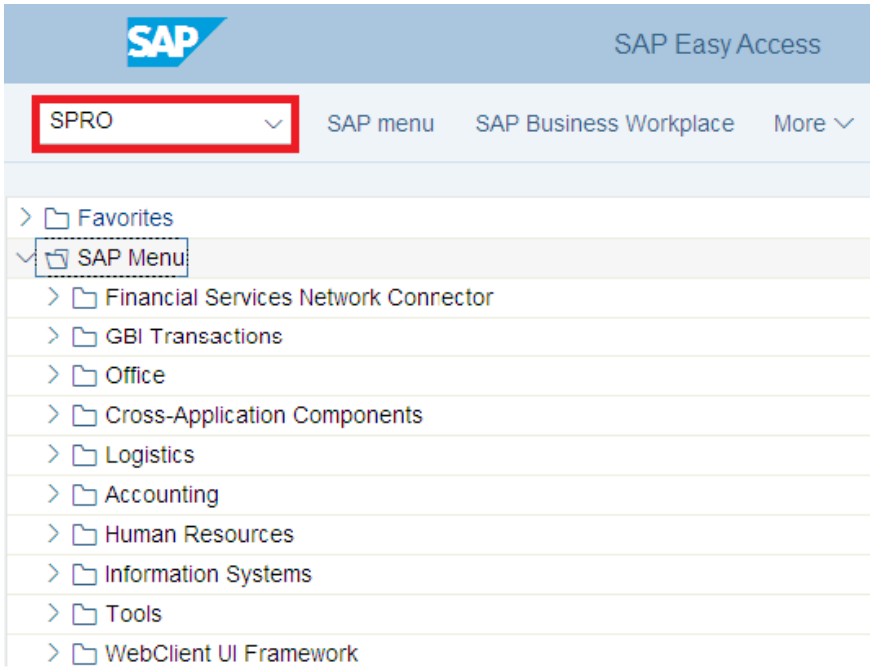
3. Now, you see the *Display IMG* menu. This is where most tasks will ask you to start from.

When this handbook later on refers to the definition and the assignment of organization units, it means the Enterprise Structure folder at the beginning of the menu (see above). All folders below contain IMG activities which are configuring business processes within the S/4HANA system.

Note Similar to the *SAP Easy Access Menu* where you as learners see all possible functions in the S/4HANA system, here in the IMG menu you also have access to all configuration activities. In a real company even, external consultants would be restricted to IMG activities related to their specific project and their ERP configuration skills. However, in this case study you will be taking on different project roles and need to see and be able to use the entire ERP system.

Alternative 2 From the *SAP Easy Access* menu, you may also use the following short-cut to start the IMG menu.

1. Locate the transaction code field in the top left corner of your screen and simply type in **SPRO**.



2. Then, press **Enter**.

Enter

3. In the *Customizing: Execute Project* screen, on the top left click on the SAP Reference IMG icon.

Phase II.1 – Enterprise Structure

Task Configure Global Bike's enterprise structure for Procurement. **Time** 70 min

Short Description Based on Sarah Garcia's results (organizational charts Logistics, S/4HANA) review Global Bike's organizational structure, study the mapping of S/4HANA organizational units and configure them in the system.

Name (Position)	Mona Falco	(System Design and Development Manager)
	Sarah Garcia	(Business Analyst 2)

Scenario setting
Sarah Garcia [Business Analyst 2]

In the preparation phase, **Sarah Garcia** sketched the organizational charts for Materials Management. Then, she mapped the Global Bike units to ERP terminology and defined a unique number for each object. The below graphic illustrates these configuration objects and their relationship to each other.

Organizational chart
S/4HANA
Global Bike Logistics

Note The graphic used in this handbook differs slightly from Sarah's original as the numbering digits (00) have already been replaced by ##. In all tasks, please make sure to use your own unique identifier instead of the ## symbol.

Project structure

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II.1.1 Maintain Purchasing Organization

Task Define a purchasing organization for Global Bike Inc. in the US. **Time** 5 min

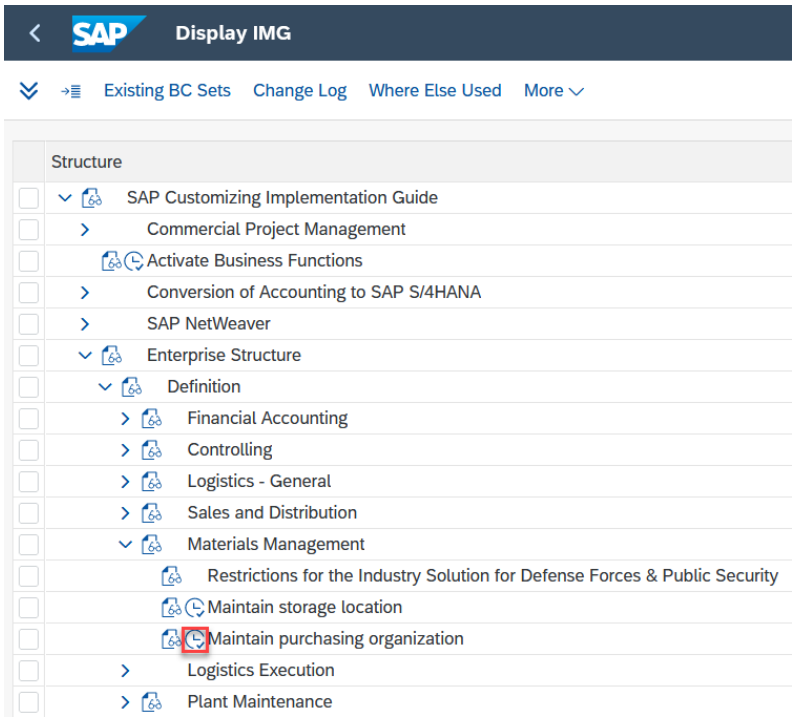
In this step you will define a G *purchasing organization* for Global Bike Inc. A purchasing organization is responsible for the procurement activities of one or more company code (depending on its global vs. regional scope). In this case, you will later assign your purchasing organization to the US company code.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ▶ Enterprise Structure ▶ Definition ▶ Materials Management ▶ Maintain purchasing organization

Menu path

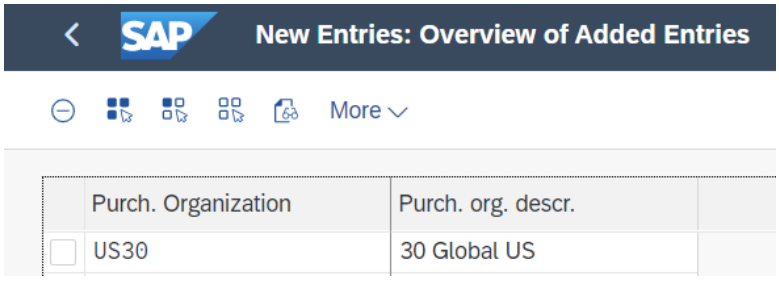


2. In the *Change View "Purchasing Organization": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Overview of Added Entries* screen, enter the following information:

Purch. Organization	Purch. Org. Descr.
US##	*## Global US*

US##
Global US



4. Click on Save. You will receive a message that says: Data was saved.

5. Click Exit to return to the *SPRO* menu.

II.1.2 Define Plants

Task Define Global Bike plants for Dallas, Miami, and San Diego. **Time** 20 min

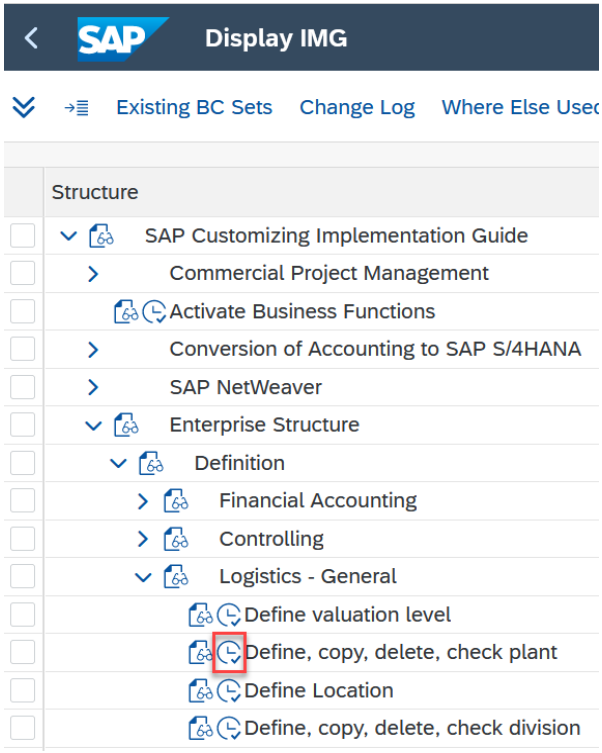
Motivation

In this task, you will define your own *plants* (DL##, MI##, and SD##) in the United States. A plant is an organizational unit that performs multiple functions and is relevant to several processes. A plant can be a factory, a warehouse, a regional distribution center, a service center, or an office. A plant is assigned to one company code only; several storage locations will be assigned to the plants in the next task.

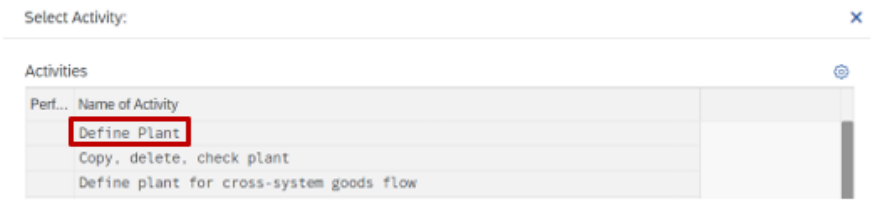
1. In the *Display IMG* screen, follow the menu path:

   Menu path

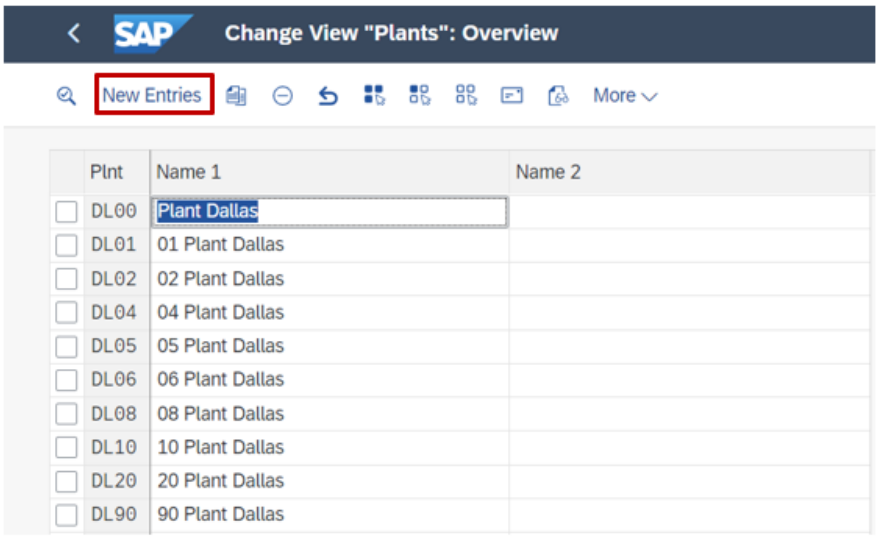
   SAP Customizing Implementation Guide ► Enterprise Structure ► Definition ► Logistics - General ► Define, copy, delete, check plant



2. In the *Select Activity* pop-up, double-click on *Define Plant*.



3. In the *Change View "Plants": Overview* screen, click on the New Entries icon.

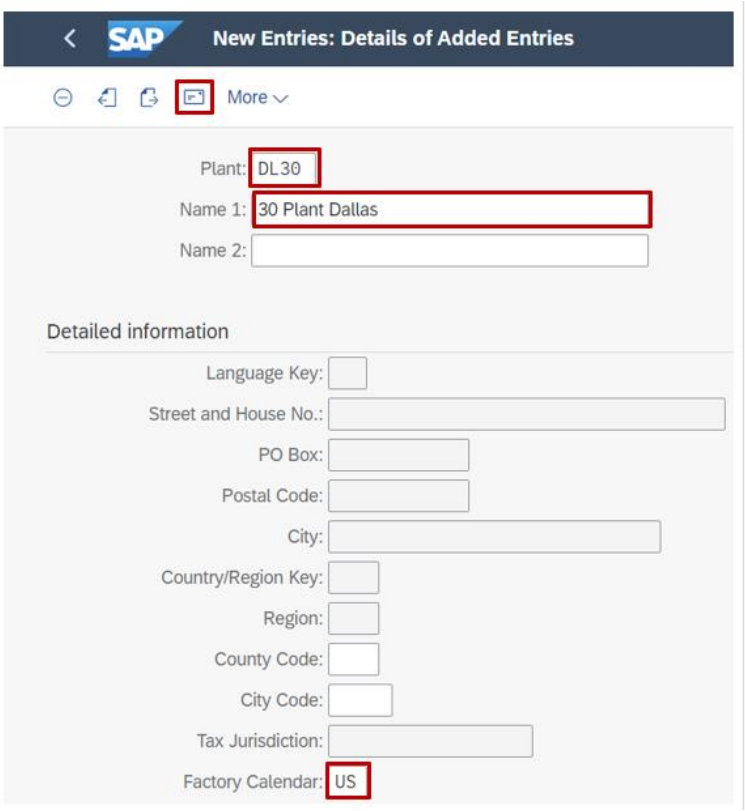


4. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Plant	*DL##*
Name 1	*## Plant Dallas*
Factory Calendar	*USA (US)*

DL##
Plant Dallas
US

5. Click on Address icon .



6. In the *Edit address: DL##* pop-up, enter the following information:

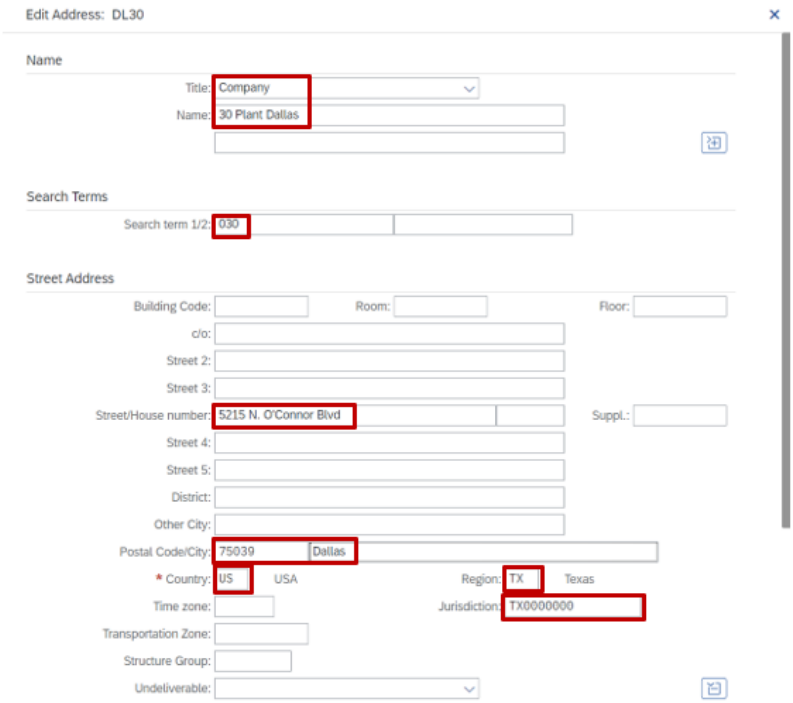
Attribute	Data value
Title	*Company*
Name	*## Plant Dallas*
Search term 1 / 2	*0##*
Street/House Number	*5215 N. O'Connor Blvd*
Postal Code	*75039*
City	*Dallas*
Country	*USA (US)*
Region	*Texas (TX)*

Company
Plant Dallas
0##
5215 N. O'Connor Blvd
75039
Dallas
US
TX

7. In the *Street Address* part, click on the icon, enter the following information:

Attribute	Data value
Jurisdict. code	*Texas Jurisdiction Code* (TX0000000)

TX0000000



8. Click on .

9. In the *New Entries: Details of Added Entries* screen, click on Save icon.

10. In the *Edit Address: DL##* pop-up, click on the icon. You will receive a message that says Data was saved.

11. In the *New Entries: Details of Added Entries* screen, click on the icon.

12. In the *Change View "Plants": Overview* screen, click on the New Entries icon.

13. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Plant	*MI##*
Name 1	*## DC Miami*
Factory Calendar	*USA (US)*

MI##
DC Miami
US

14. Click on (Address).

15. In the *Edit Address: MI##* pop-up, enter the following information:

Attribute	Data value
Title	*Company*
Name	*## DC Miami*
Search term 1 / 2	*0##*
Street/House Number	*5341 Blue Lagoon Drive*
Postal Code	*33126*
City	*Miami*
Country	*USA (US)*
Region	*Florida (FL)*

Company
DC Miami
0##
5341 Blue Lagoon Drive
33126
Miami
US
FL

16. In the *Street Address* part, click on the icon.

17. Enter the following information:

Attribute	Data value
Jurisdict. Code	*Florida Jurisdiction Code (FL0000000)*

FL0000000

18. Click on .

19. In the *New Entries: Details of Added Entries* screen, click on the Save icon.

20. In the *Edit* pop-up, click on the icon. You will receive a message that says Data was saved .

21. In the *New Entries: Details of Added Entries* screen, click on the icon.

22. In the *Change View "Plants": Overview* screen, click on the New Entries icon.

23. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Plant	*SD##*
Name 1	*## DC San Diego*
Factory Calendar	*USA (US)*

SD##
DC San Diego
US

24. Click on (Address).

25. In the *Edit Address: SD##* pop-up, enter the following information:

Attribute	Data value
Title	*Company*
Name	*## DC San Diego*
Search term 1 / 2	*0##*
Street/House number	*150 Spear Street*
Postal Code	*94105*
City	*San Diego*
Country	*USA (US)*
Region	*California (CA)*

Company
DC San Diego
0##
150 Spear Street
94105
San Diego
US
CA

26. In the *Street Address* part, click on the icon.

27. Enter the following information:

Attribute	Data value
Jurisdict. Code	*California Jurisdiction Code (CA0000000)*

CA0000000

28. Click on .

29. In the *New Entries: Details of Added Entries* screen, click on the Save icon.

30. In the *Edit* pop-up, click on the icon. You will receive a message that says Data was saved .

31. Click on Exit and then to return to the *SPRO* menu.

II.1.3 Maintain Storage Location

Task Define storage locations for all plants in the US. **Time** 20 min

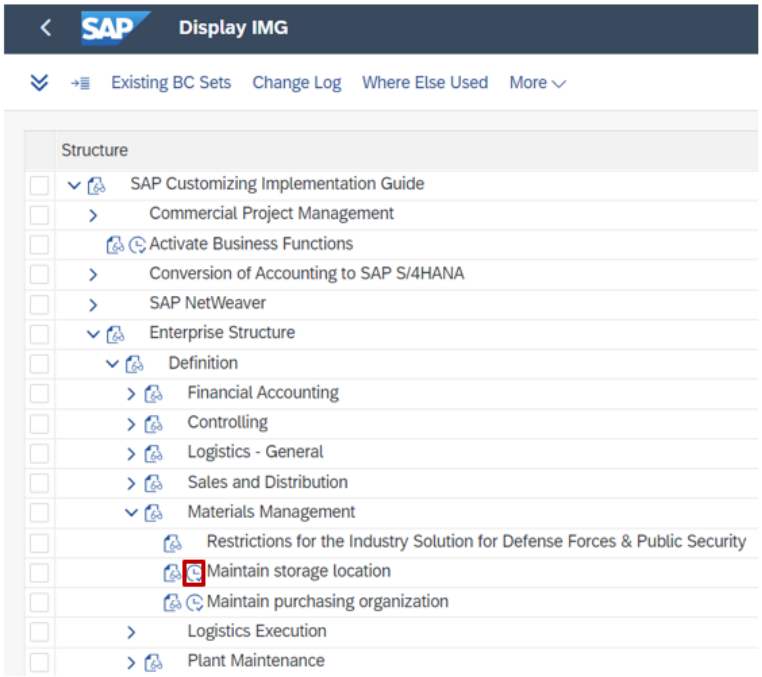
Motivation

In this task, you will define *storage locations* (FG##, MI##, RM##, SF##, and TG##) within each plant. There may be one or more storage locations within a plant. A storage location has a description and at least one address; in addition, it can be assigned to a number in the warehouse management system. You can assign more than one storage location to the same warehouse number within a plant. It is possible to store material data specific to a storage location. Stock is managed only on a quantity basis and not on a value basis at storage location level in the system.

1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Enterprise Structure ► Definition ► Materials Management ► Maintain storage location

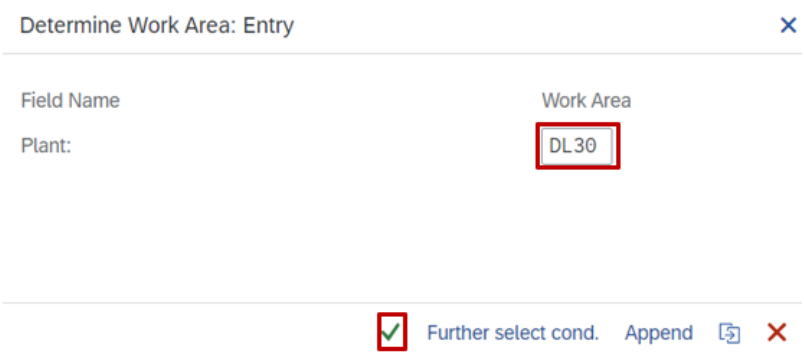


2. In the *Determine Work Area: Entry* pop-up, enter the following information:

Attribute	Data value
Plant	*Your Plant Dallas (DL##)*

DL##

3. Click on ✓.



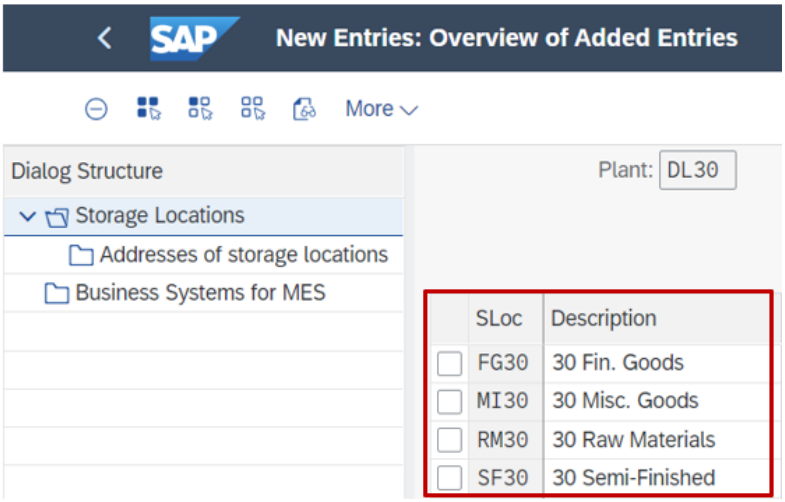
4. In the *Change View "Storage locations": Overview* screen**,** click on the New Entries icon.

5. In the *New Entries: Overview of Added Entries* screen**,** enter the following information:

SLoc	Description
FG##	## Fin. Goods
MI##	## Misc. Goods
RM##	## Raw Materials
SF##	## Semi-Finished

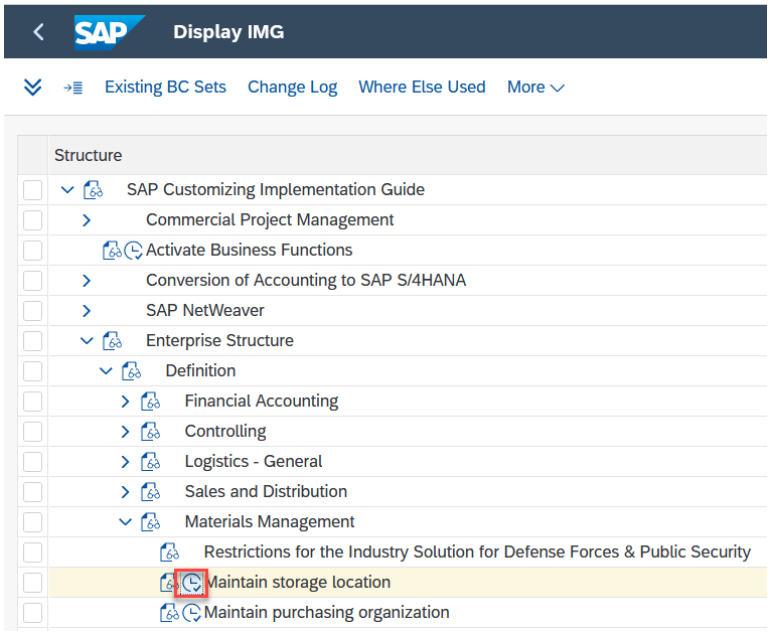
FG##
Fin. Goods
MI##
Misc. Goods
RM##
Raw Materials
SF##
Semi-Finished

6. Click on Save. You will receive a message that says: Data was saved.



7. Click on Exit.

8. In the *Display IMG* screen, click on the icon next to *Maintain storage location*.

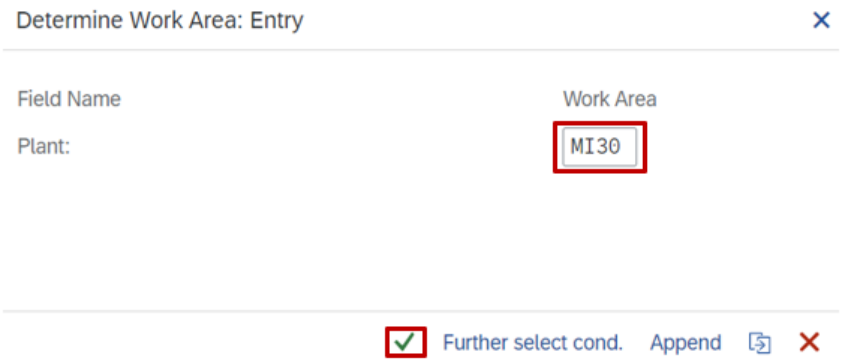


9. In the *Determine Work Area: Entry* pop-up**,** enter the following information:

Attribute	Data value
Plant	*Your DC Miami* (*MI##*)

MI##

10. Click on ✓.



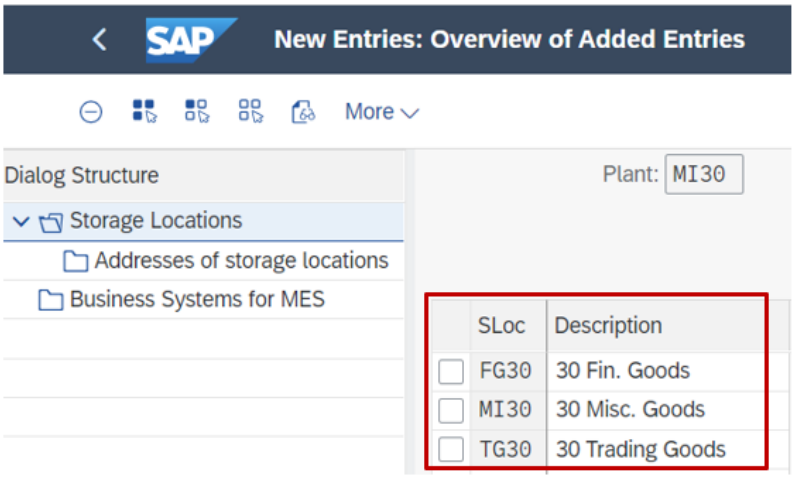
11. In the *Change View "Storage locations": Overview* screen, click on the New Entries icon.

12. In the *New Entries: Overview of Added Entries* screen**,** enter the following information:

SLoc	Description
FG##	## Fin. Goods
MI##	## Misc. Goods
TG##	## Trading Goods

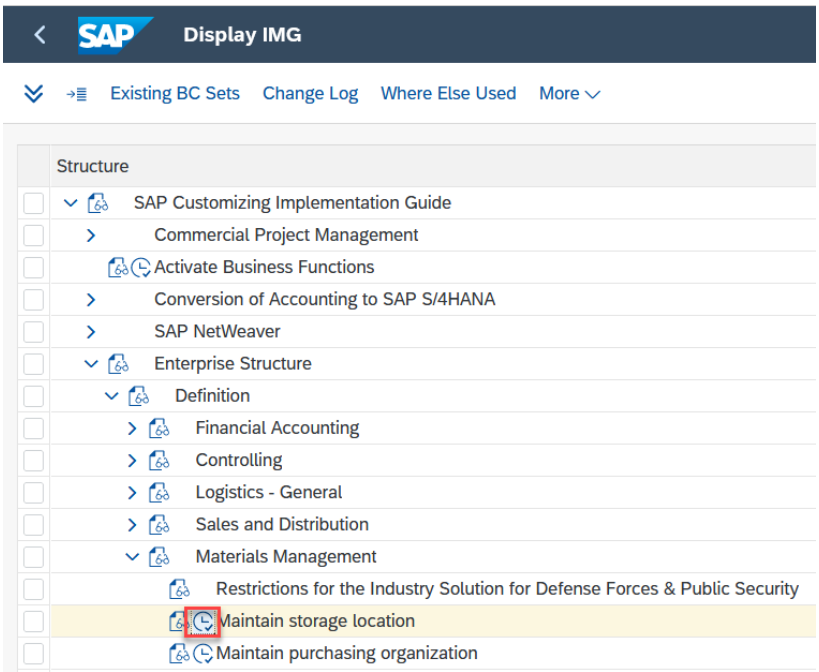
FG##
Fin. Goods
MI##
Misc. Goods
TG##
Trading Goods

13. Click on Save. You will receive a message that says Data was saved
.



14. Click on Exit.

15. In the *Display IMG* screen, click on the icon next to *Maintain storage location*.

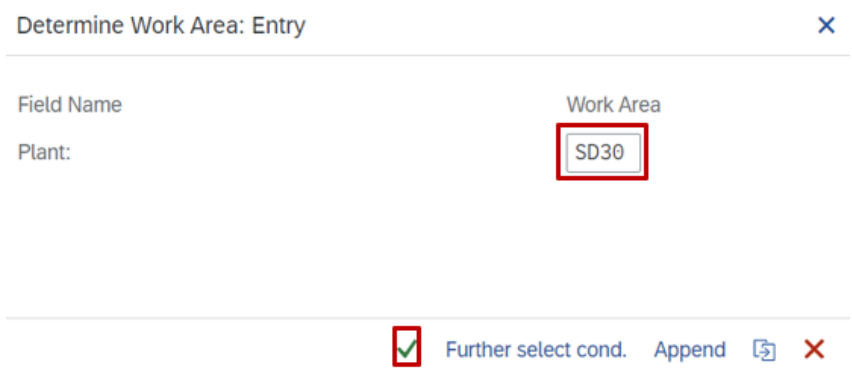


16. In the *Determine Work Area: Entry* pop-up, enter the following information:

Attribute	Data value
Plant	*Your DC San Diego (SD##)*

SD##

17. Click on ✓.



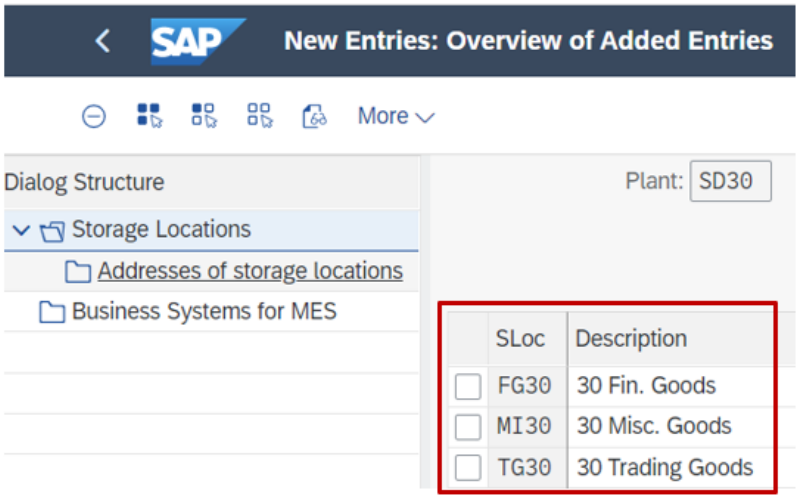
18. In the *Change View "Storage locations": Overview* screen**,** click on the New Entries icon.

19. In the *New Entries: Overview of Added Entries* screen**,** enter the following information:

SLoc	Description
FG##	## Fin. Goods
MI##	## Misc. Goods
TG##	## Trading Goods

FG##
Fin. Goods
MI##
Misc. Goods
TG##
Trading Goods

20. Click on Save. You will receive a message that says Data was saved .



21. Click on Exit to return to the *SPRO* menu.

II.1.4 Create Purchasing Group

Task Define a purchasing group for North America. **Time** 5 min

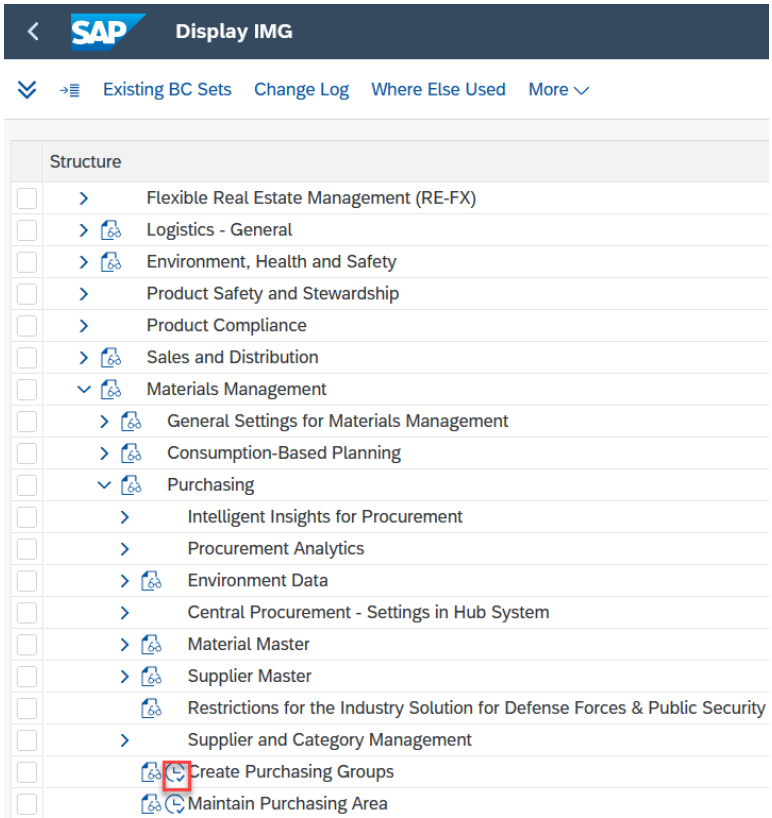
In this task, you create your G *purchasing group* (N##). A purchasing group is a buyer or group of buyers who are responsible for internal procurement of a material or class of materials and the principal channel for how Global Bike Inc. deals with its vendors.

Motivation

1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Materials Management ► Purchasing ► Create Purchasing Groups

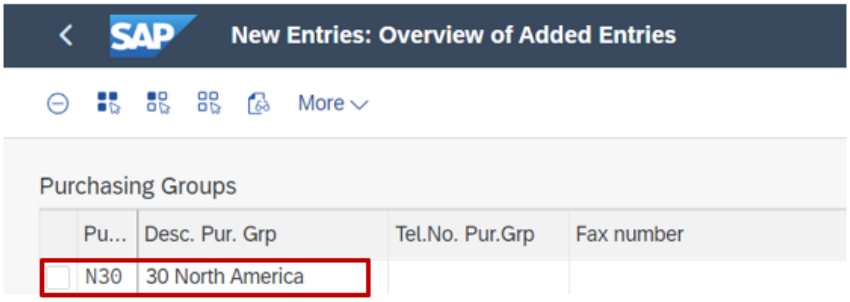


2. In the *Change View "Purchasing Groups": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Overview of Added Entries* screen, enter the following information:

Purchasing Group	Desc. Pur. Grp
N##	## North America

N##
North America



4. Click on Save. You will receive a message that says Data was saved.

5. Click on Exit to return to the *SPRO* menu.

Assign purchasing organization to company code

Task Assign your US purchasing organization to your Global Bike Inc. company. **Time** 5 min

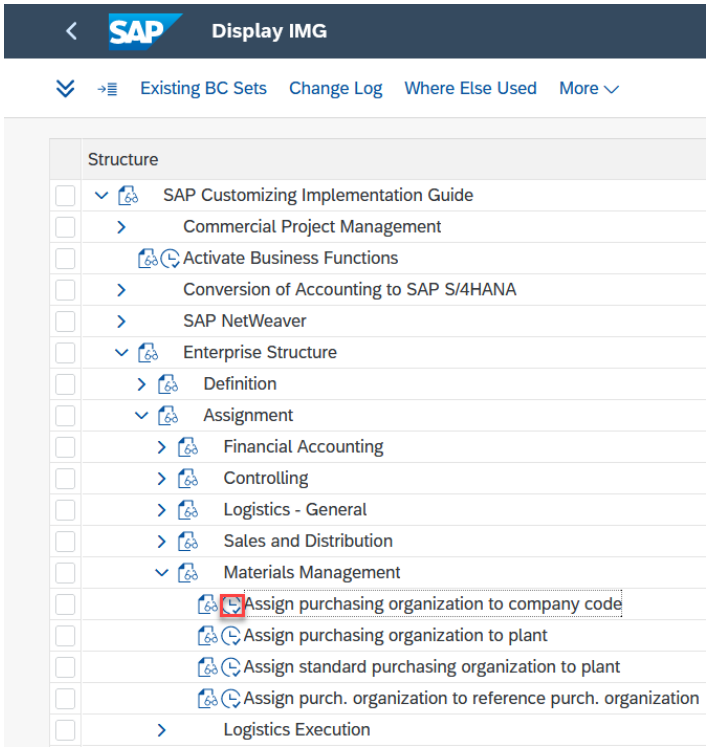
In this task, you assign the purchasing organization to your US company. From the materials management view, the purchasing organization is responsible for the complete processing of procurement activities (such as requests for quotations and purchase orders).

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ▶ Enterprise Structure ▶ Assignment ▶ Material Management ▶ Assign purchasing organization to company code

Menu path

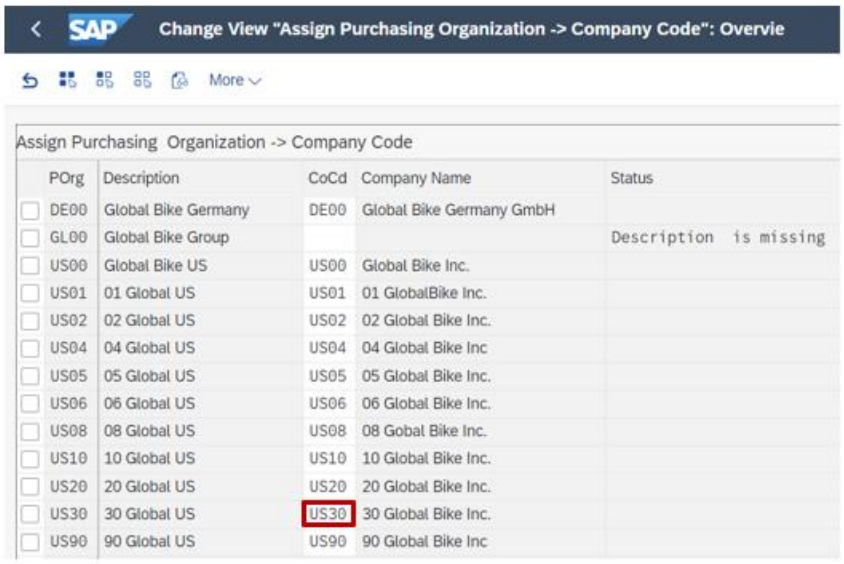


2. In the *Change View "Assign Purchasing Organization -> Company Code": Overview* screen, enter the following information:

POrg	CoCd
Your GBI US *(US##)*	*Your Global Bike Inc. (US##)*

US##

3. Click on **Save**. You will receive a message that says Data was saved.



POrg	Description	CoCd	Company Name	Status
DE00	Global Bike Germany	DE00	Global Bike Germany GmbH	
GL00	Global Bike Group			Description is missing
US00	Global Bike US	US00	Global Bike Inc.	
US01	01 Global US	US01	01 GlobalBike Inc.	
US02	02 Global US	US02	02 Global Bike Inc.	
US04	04 Global US	US04	04 Global Bike Inc	
US05	05 Global US	US05	05 Global Bike Inc.	
US06	06 Global US	US06	06 Global Bike Inc.	
US08	08 Global US	US08	08 Gobal Bike Inc.	
US10	10 Global US	US10	10 Global Bike Inc.	
US20	20 Global US	US20	20 Global Bike Inc.	
US30	30 Global US	US30	30 Global Bike Inc.	
US90	90 Global US	US90	90 Global Bike Inc	

4. Click on Exit to return to the *SPRO* menu.

II.1.6 Assign Plants to Company Code

Task Assign all your plants to Global Bike Inc. **Time** 5 min

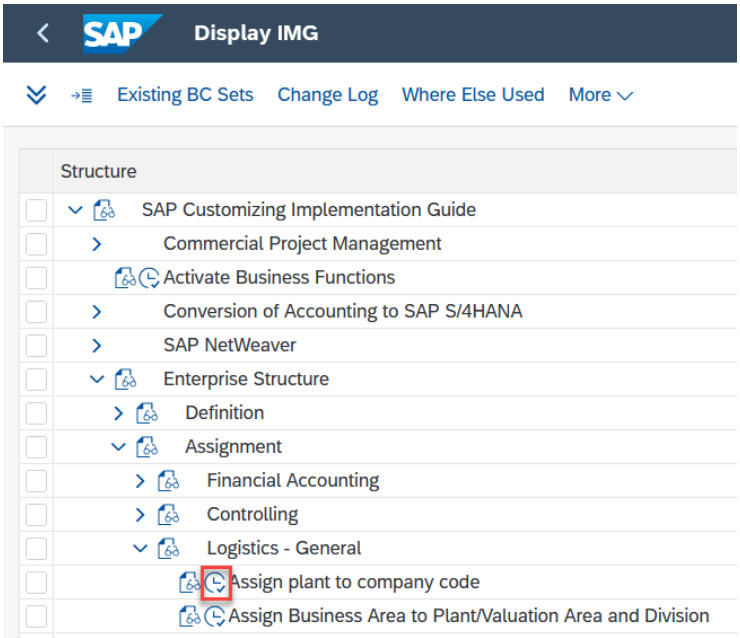
In this task, you assign your three plants to your US company code. Each company within the enterprise is represented by a company code and each plant is a facility under that specific company code. Each plant can only be assigned to one company code.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Enterprise Structure ► Assignments ► Logistics - General ► Assign plant to company code

Menu path

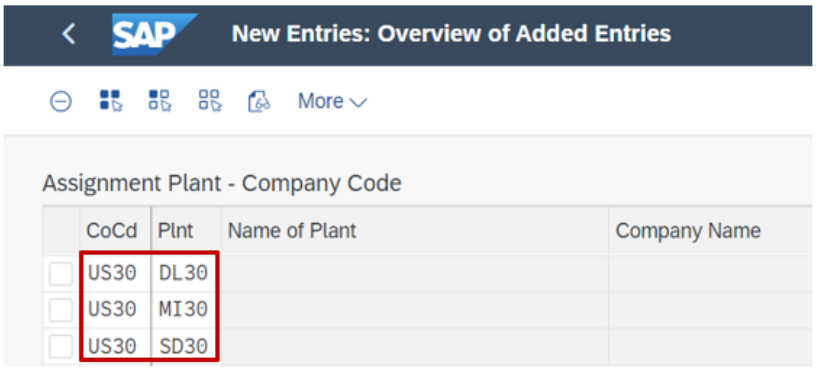


2. You are in the *Change View "Assignment Plant – Company Code": Overview* screen, click on the New Entries.

3. In the *New entries: Overview of Added Entries* screen, enter the following information:

CoCd	Plnt
Your Global Bike Inc. (US##)	*Your Plant Dallas (DL##)*
Your Global Bike Inc. (US##)	*Your DC Miami (MI##)*
Your Global Bike Inc. (US##)	*Your DC San Diego (SD##)*

US##
US##
US##
DL##
MI##
SD##



4. Click on **Save**. You will receive a message that says Data was saved.

5. Click on Exit to return to the *SPRO* menu.

II.1.7 Assign Purchasing Organization to Plants

Task Assign your US purchasing organization to all Global Bike Inc. plants. **Time** 5 min

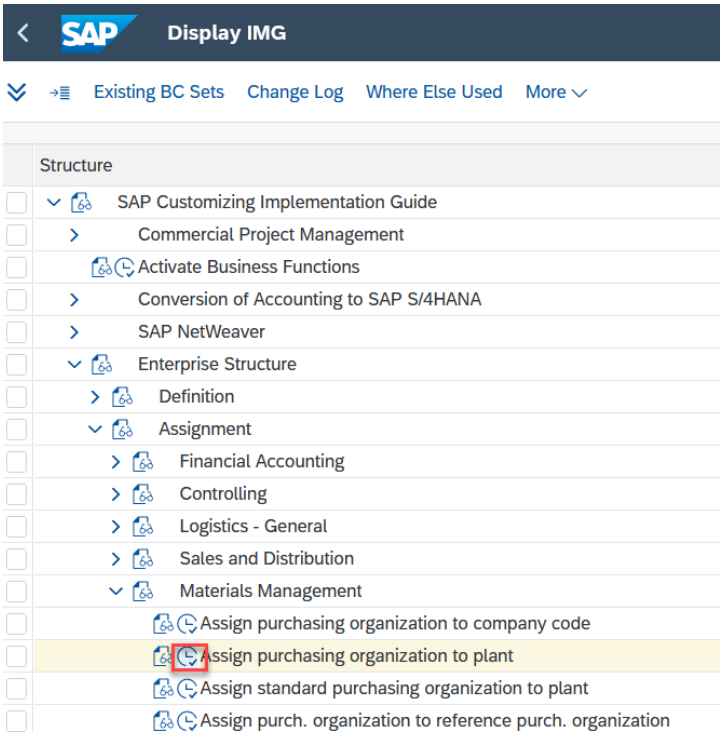
Motivation

In this task, you assign your plants to your purchasing organization. A purchasing organization is an organizational unit in procurement of the materials management module. A purchasing organization is responsible for all procurement activities.

1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Enterprise Structure ► Assignments ► Materials Management ► Assign purchasing organization to plant

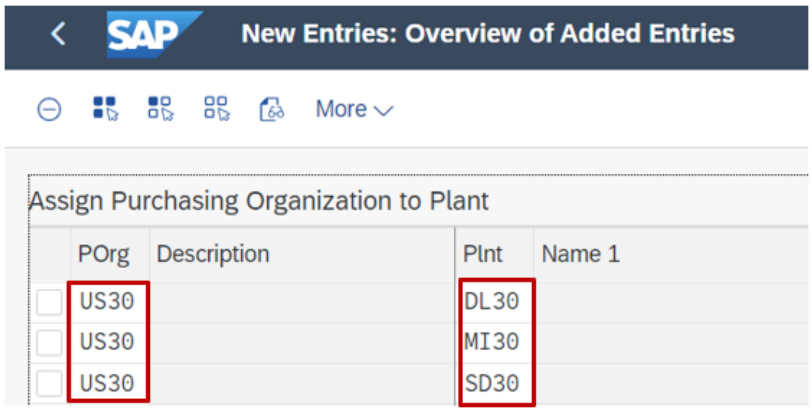


2. In the *Change View "Assign Purchasing Organization to Plant": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Overview of Added Entries* screen, enter the following information:

POrg	Plnt
Your GBI US (US##)	*Your Plant Dallas* (DL##)
Your GBI US (US##)	*Your DC Miami* (MI##)
Your GBI US (US##)	*Your DC San Diego* (SD##)

US##
US##
US##
DL##
MI##
SD##



4. Click on Save. You will receive a message that says Data was saved.

5. Click on Exit to return to the *SPRO* menu.

II.1.8 Group Together Valuation Areas

Task Group valuation areas for G/L account determination. **Time** 5 min

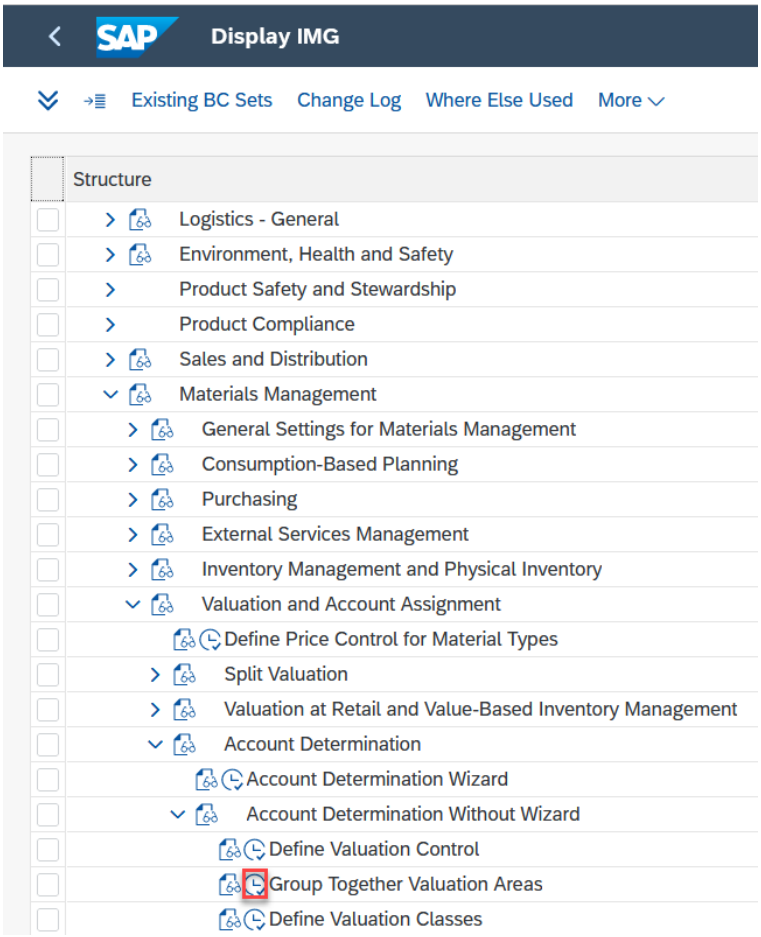
Motivation

In this task, you specify a valuation grouping key for *valuation areas* that will aid you in setting up automatic postings to the general ledger. The valuation grouping code makes it easier to set automatic account determination. It determines the general ledger accounts to which a goods movement is posted. Within the chart of accounts, you can assign the same valuation grouping code to the valuation areas you want to assign to the same account.

1. In the *Display IMG* screen, follow the menu path:

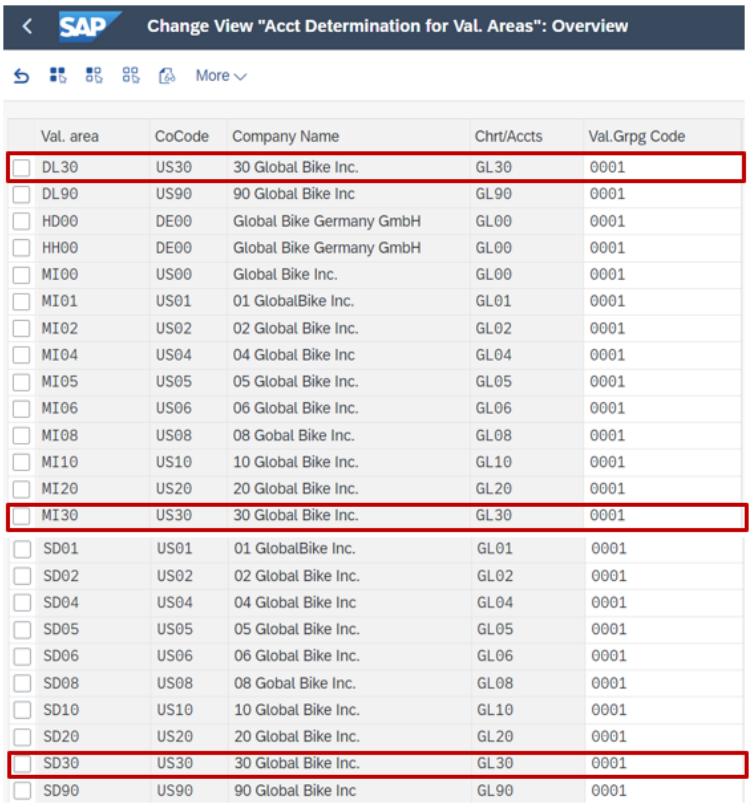
Menu path

SAP Customizing Implementation Guide ▶ Materials Management ▶ Valuation and Account Assignment ▶ Account Determination ▶ Account Determination Without Wizard ▶ Group Together Valuation Areas



2. In the *Change View "Acct Determination for Val. Areas": Overview* screen, enter the following information

Val. Area	CoCode	Company Name	Chrt/Accts	Val.Grpg Code	
DL##	Your Global Bike Inc. (US##)	## Global Bike Inc.	Your GBI COA (GL##)	*0001*	0001
MI##	Your Global Bike Inc. (US##)	## Global Bike Inc.	Your GBI COA (GL##)	*0001*	0001
SD##	Your Global Bike Inc. (US##)	## Global Bike Inc.	Your GBI COA (GL##)	*0001*	0001



Val. area	CoCode	Company Name	Chrt/Accts	Val.Grpg Code
DL30	US30	30 Global Bike Inc.	GL30	0001
DL90	US90	90 Global Bike Inc	GL90	0001
HD00	DE00	Global Bike Germany GmbH	GL00	0001
HH00	DE00	Global Bike Germany GmbH	GL00	0001
MI00	US00	Global Bike Inc.	GL00	0001
MI01	US01	01 GlobalBike Inc.	GL01	0001
MI02	US02	02 Global Bike Inc.	GL02	0001
MI04	US04	04 Global Bike Inc	GL04	0001
MI05	US05	05 Global Bike Inc.	GL05	0001
MI06	US06	06 Global Bike Inc.	GL06	0001
MI08	US08	08 Gobal Bike Inc.	GL08	0001
MI10	US10	10 Global Bike Inc.	GL10	0001
MI20	US20	20 Global Bike Inc.	GL20	0001
MI30	US30	30 Global Bike Inc.	GL30	0001
SD01	US01	01 GlobalBike Inc.	GL01	0001
SD02	US02	02 Global Bike Inc.	GL02	0001
SD04	US04	04 Global Bike Inc	GL04	0001
SD05	US05	05 Global Bike Inc.	GL05	0001
SD06	US06	06 Global Bike Inc.	GL06	0001
SD08	US08	08 Gobal Bike Inc.	GL08	0001
SD10	US10	10 Global Bike Inc.	GL10	0001
SD20	US20	20 Global Bike Inc.	GL20	0001
SD30	US30	30 Global Bike Inc.	GL30	0001
SD90	US90	90 Global Bike Inc	GL90	0001

3. Click on **Save**. You will receive a message that says Data was saved.

4. Click on **Exit** to return to the *SPRO* menu.

Phase II.2 – Process Configuration

Task Configure GBI's core procurement processes. **Time** 120 min

Short Description Based on the results of the project preparation by both Global Bike employees and external consultants, essential settings for the Purchasing department now need to be made in the S/4HANA system.

Name (Position)	Mona Falco	(System Design and Development Manager)
	Sarah Garcia	(Business Analyst 2)
	[external]	(Senior SAP Logistics consultant)

Scenario setting

In the preparation phase, **Mona Falco** analyzed the business processes in Global Bike's purchasing department and identified issues which will be overcome by the ERP system. Together with her colleague **Sarah Garcia** and a Logistics consultant of an external firm she has studied the SAP system and found configuration settings that are needed now that the enterprise structure has been created in the previous phase.

Mona Falco [System Design and Development Manager]

Sarah Garcia [Business Analyst 2]

Project structure

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II.2.1 Assign Material Ledger Types to Valuation Area

Task Determine the valuations kept in the material ledger for the US valuation areas. **Time** 5 min

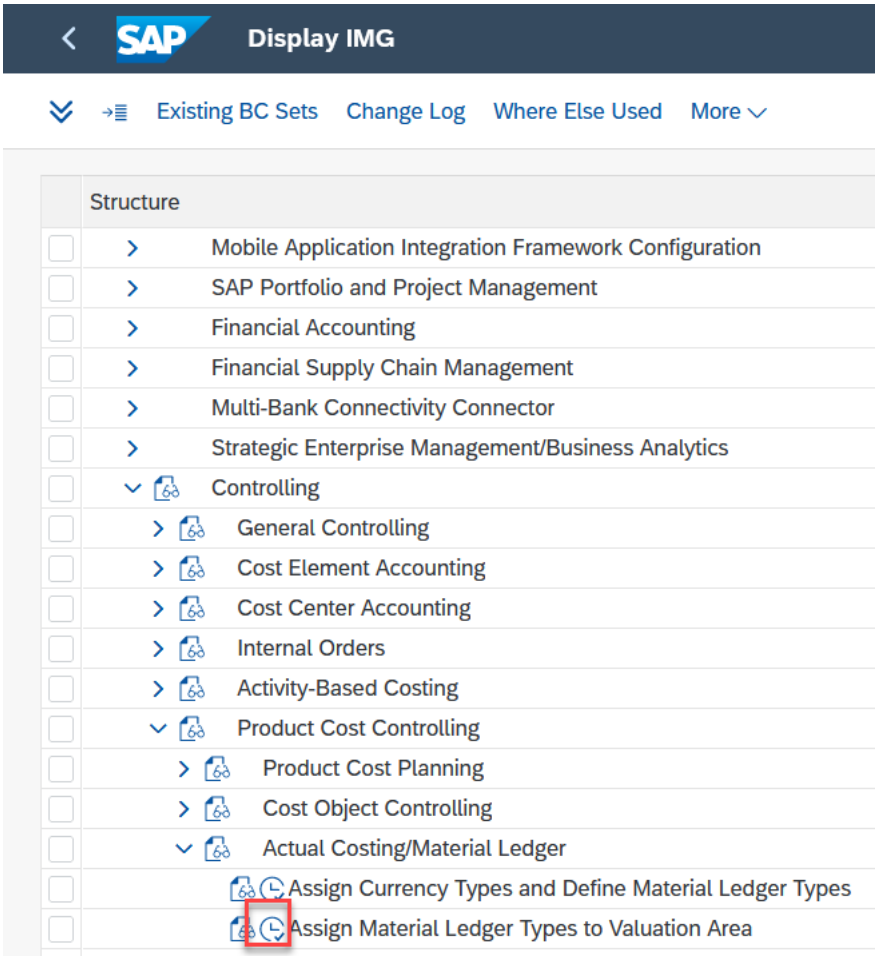
Motivation

In this task, you assign G *material ledger types* to valuation area. For the US## company code, the same material ledger type is assigned within this single company code.

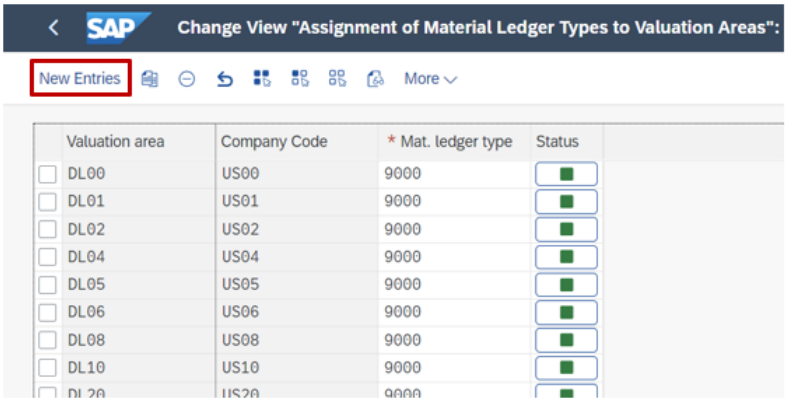
1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Controlling ► Product Cost Controlling ► Actual Costing/Material Ledger ► Assign Material Ledger Types to Valuation Area



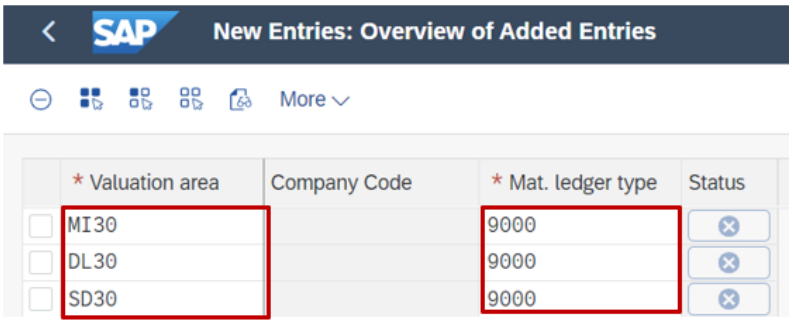
2. In the *Change View "Assignment of Material Ledger Types to Valuation Areas"* screen, click New Entries.



3. In the *New Entries: Overview of Added Entries* screen, enter the following information:

Valuation area	Mat. ledger type
MI##	*9000*
DL##	*9000*
SD##	*9000*

MI##
DL##
SD##
9000
9000
9000



4. Click on Save. You will receive a message that says Data was saved.

5. Click on Exit to return to the *SPRO* menu.

II.2.2 Activate Material Ledger Types for Valuation Areas

Task Activate the material ledger for the US valuation areas. **Time** 5 min

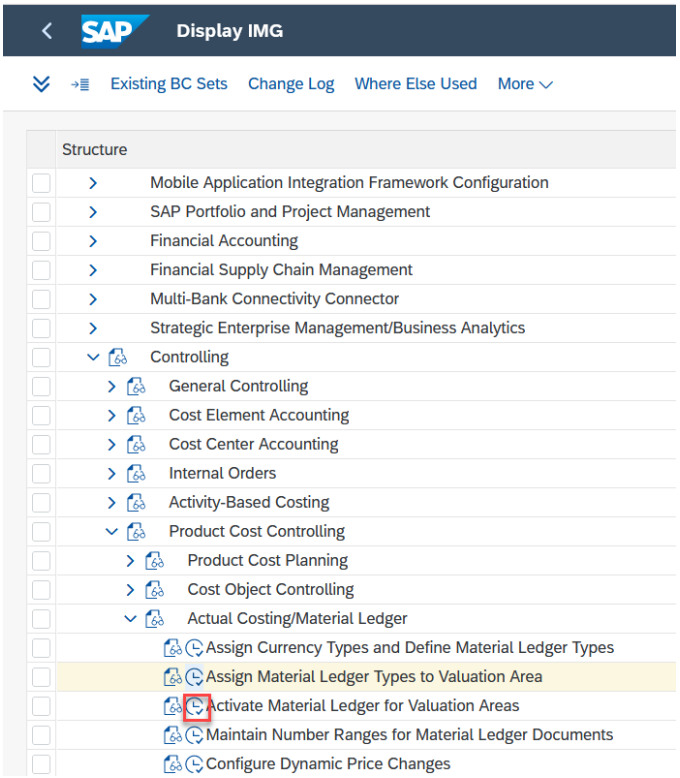
Motivation

In this task, you activate the material ledger types for the US valuation areas. For the US company code, valuation is set at plant level, however the material ledger is not activated automatically for newly created plants. You will therefore need to activate the material ledger for the plant (valuation area) and the set the valuation area as productive.

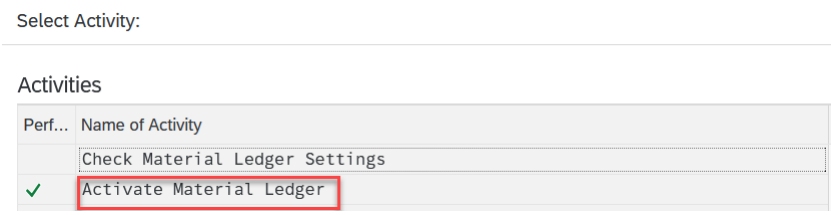
1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Controlling ► Product Cost Controlling ► Actual Costing/Material Ledger ► Activate Material Ledger for Valuation Areas



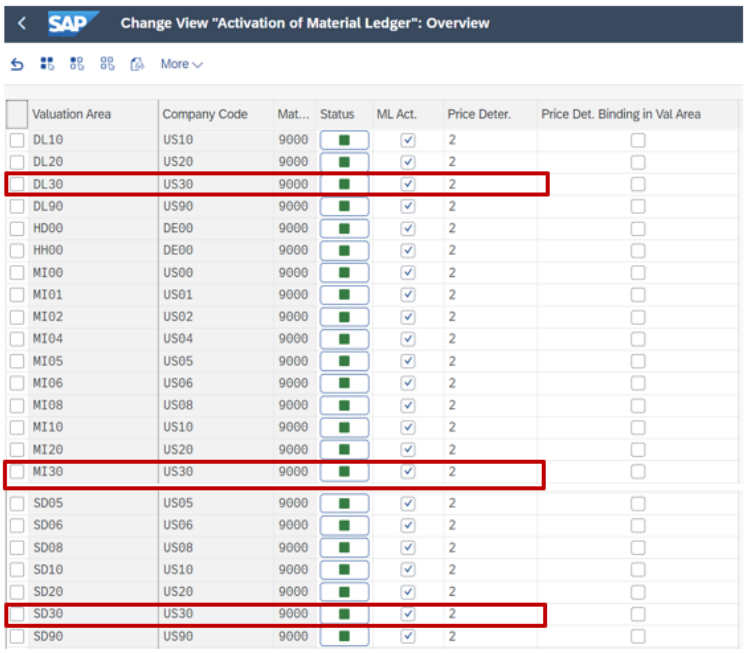
2. In the *Select Activity* pop-up, double-click *Activate Material Ledger*.



3. In the *Change View "Activation of Material Ledger": Overview* screen, enter the following information:

Valuation Area	ML Act.	Price Deter.
DL##	*Selected*	*2 (Transaction-Based)*
MI##	*Selected*	*2 (Transaction-Based)*
SD##	*Selected*	*2 (Transaction-Based)*

2
2
2



Valuation Area	Company Code	Mat...	Status	ML Act.	Price Deter.	Price Det. Binding in Val Area
DL10	US10	9000			2	
DL20	US20	9000			2	
DL30	US30	9000			2	
DL90	US90	9000			2	
HD00	DE00	9000			2	
HH00	DE00	9000			2	
MI00	US00	9000			2	
MI01	US01	9000			2	
MI02	US02	9000			2	
MI04	US04	9000			2	
MI05	US05	9000			2	
MI06	US06	9000			2	
MI08	US08	9000			2	
MI10	US10	9000			2	
MI20	US20	9000			2	
MI30	US30	9000			2	
SD05	US05	9000			2	
SD06	US06	9000			2	
SD08	US08	9000			2	
SD10	US10	9000			2	
SD20	US20	9000			2	
SD30	US30	9000			2	
SD90	US90	9000			2	

4. Click on Save. If you receive an *Information* pop-up, click ✓ to proceed.

5. You will receive a message that says Data was saved.

6. Click on Exit and then ✕ to return to the *SPRO* menu.

II.2.3 Set Valuation Areas as Productive

Task Set Valuation Areas as Productive. **Time** 5 min

In this task you will set the valuation areas as productive to ensure that live data is converted. This ensures consistency of the valuation data and the material internally as being in production.

Motivation

- In the *customizing* area, open the app:

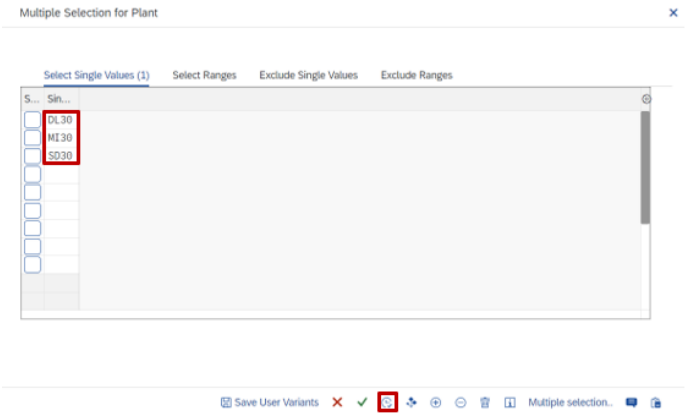
Menu path

1. In the *Production Startup of Mat. Ledger* screen, enter **DL##** in the *Plant* field and click on the *Multiple Selection* icon.

DL##

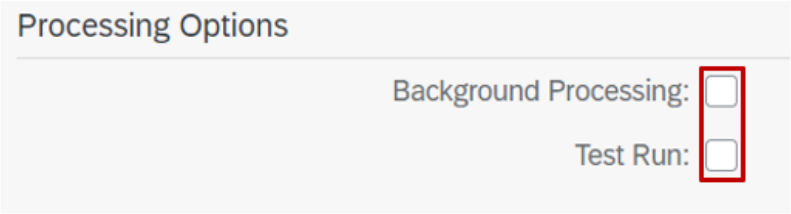
2. In the *Multiple selection for plant* - popup, enter all three valuation areas (**DL##, MI##, SD##**) and click the (Copy) icon.

DL##
MI##
SD##



3. In the *Production Startup of Mat. Ledger* screen, ensure that the *Background processing* and the *Test Run* checkbox is **deselected** and click **Execute** .

deselected



4. You will get a message saying:

   The material ledger can be reconciled with FI in valuation area US30

5. Click three times on Exit until you return to the *Customizing*.

II.2.4 Determine Tax Version

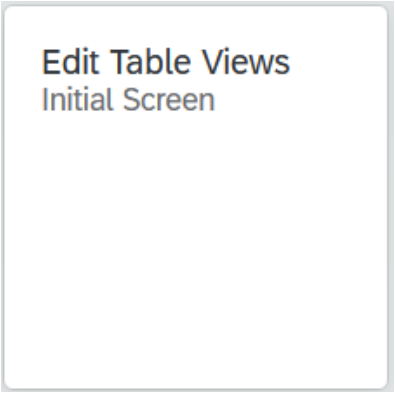
Task Determine how many tax amounts and tax codes are allowed in the US. **Time** 5 min

In this task, you set the number of tax rates that can be entered directly on the vendor screen. Using the tax version, you determine how many tax amounts and tax codes are to be inputted.

Motivation

- In the Customizing area, open the App:

Menu path

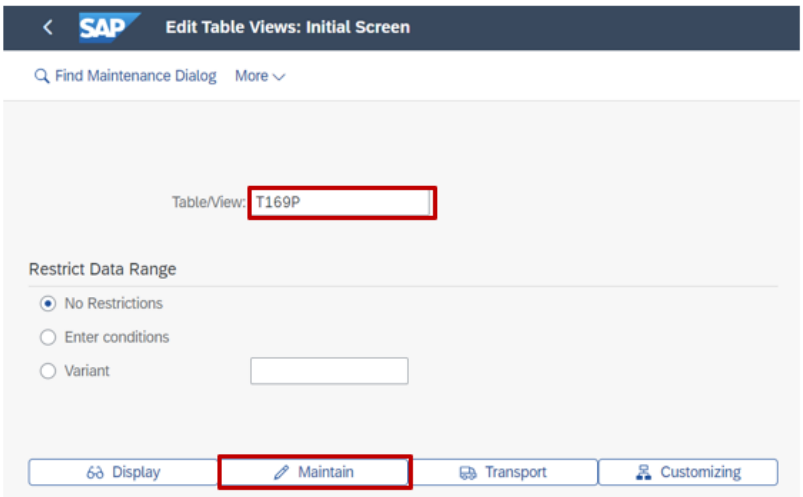


1. In the *Edit Table Views: Initial Screen*, enter the following information:

Attribute	Data value
Table/View	*T169P*

T169P

2. Click on Maintain.

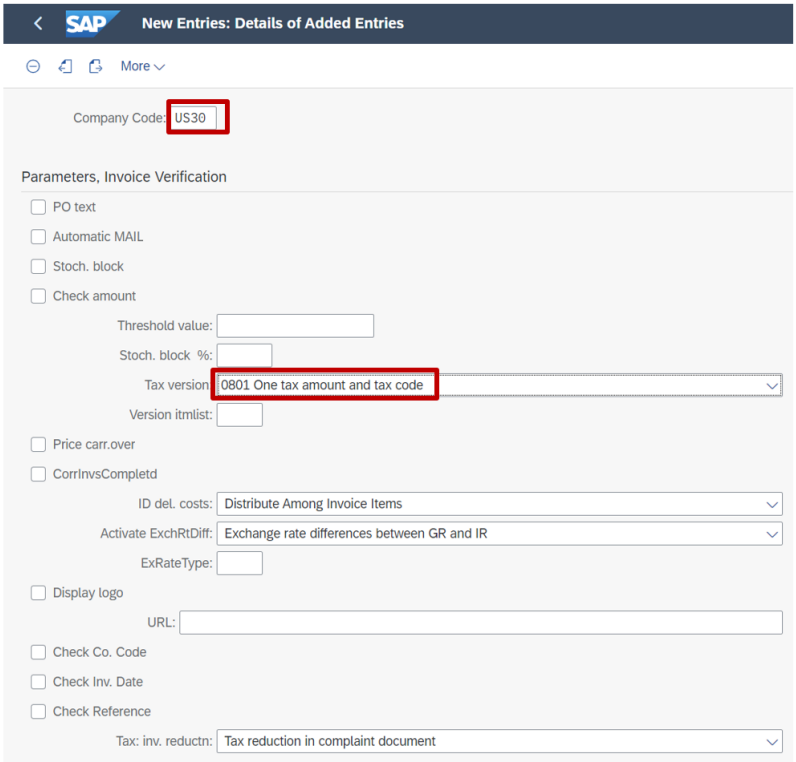


3. In the *Change View "Parameters, Invoice Verification": Overview* screen, click on the New Entries icon.

4. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Company Code	*Your Global Bike Inc. (US##)*
Tax Version	*One tax amount and tax code*

US##
One tax amount and tax code



5. Click on Save . You will receive a message that says Data was saved .

6. Click twice on Exit to return to the *Customizing*.

II.2.5 Define Tax Accounts

Task Define tax accounts in the US to which the system automatically posts to. **Time** 10 min

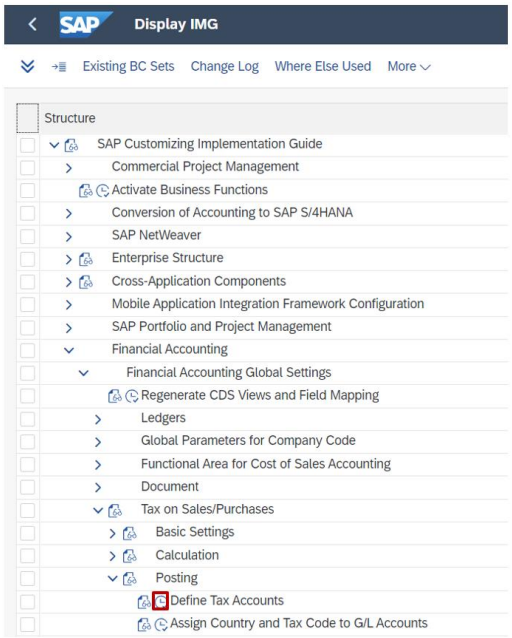
In this task, you specify the *G/L accounts* to which tax types are posted. The system will automatically post to the tax accounts specified in this task.

Motivation

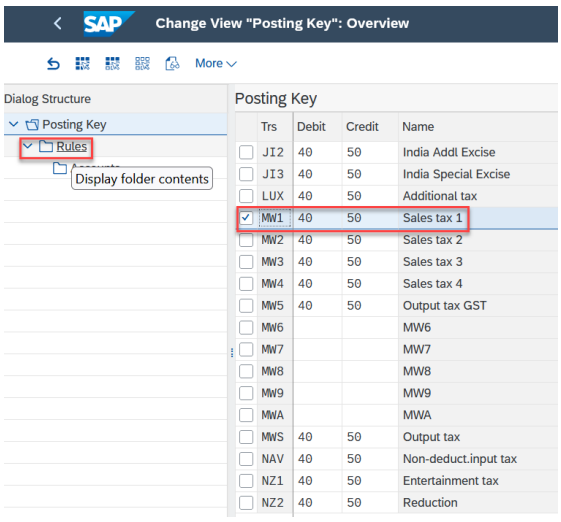
1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Financial Accounting ► Financial Accounting Global Settings ► Tax on Sales/Purchases ► Posting ► Define Tax Accounts

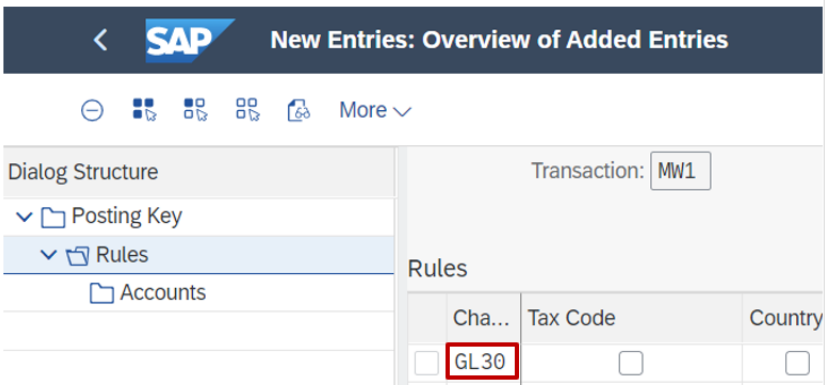


2. In the *Change View "Posting Key": Overview* screen, highlight the *MW1* entry and double-click Rules.



3. In the *Change View "Rules": Overview* screen, click New Entries.

4. In the *New Entries: Overview of Added Entries* enter **GL##** under *Chart of Accounts*. GL##



5. Click on Save. You will receive a message that says Data was saved.

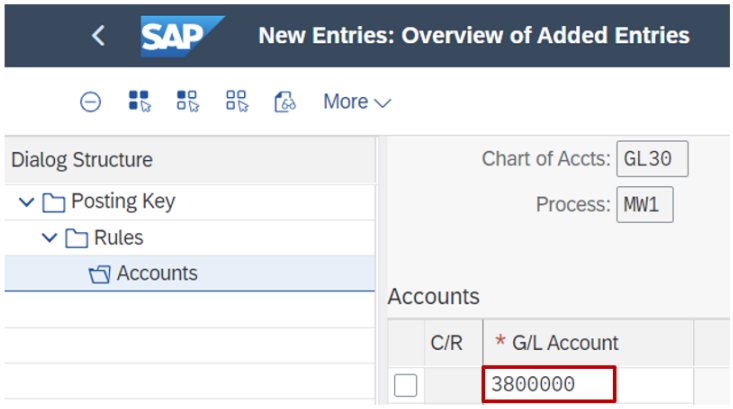
6. In the *New Entries: Overview of Added Entries* screen, select the **GL##** and double-click Accounts. GL##

7. In the *Change View "Accounts": Overview* screen, click New Entries and enter the following information:

Attribute	Data value
G/L Account	*Your VAT account* (3800000)

3800000

8. Click on Save. You will receive a message that says Data was saved.



9. Click three times on <.

10. In the *Change View "Posting Key": Overview* screen, highlight the *VS1* entry and double-click Rules. VS1

11. In the *Change View "Rules": Overview* screen, click New Entries

12. Enter **GL##** under *Chart of Accounts*. GL##

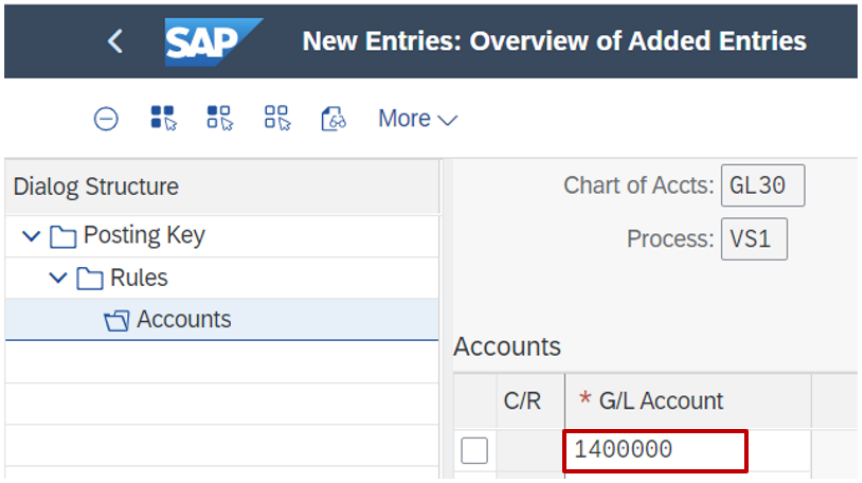
13. Click Save. You will receive a message that says Data was saved.

14. In the *New Entries: Overview of Added Entries* screen, select the **GL##** and double-click Accounts. GL##

15. In the *Change View "Accounts": Overview* screen, click New Entries and enter the following information:

Attribute	Data value
G/L Account	*Your Deductible input tax (1400000)*

1400000



16. Click on Save. You will receive a message that says Data was saved.

17. Click on Exit to return to the *SPRO* menu.

II.2.6 Configure Automatic Postings

Task Set up automatic posting from materials management to financial accounting.

Time 20 min

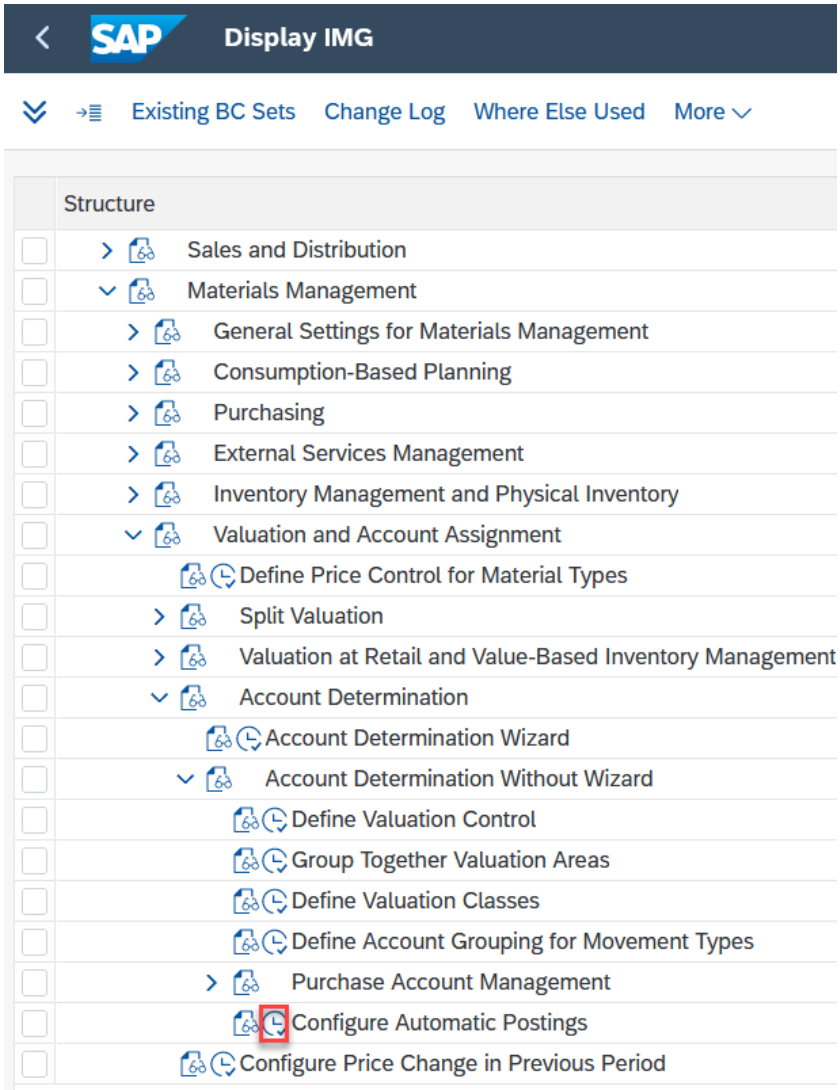
Motivation

In this task, you enter the system settings for inventory management and invoices. Configuring automatic postings will automatically determine the account assignment for transactions in materials management that make postings to G/L accounts in financial accounting. Rules will also be determined for the postings made into financial accounting.

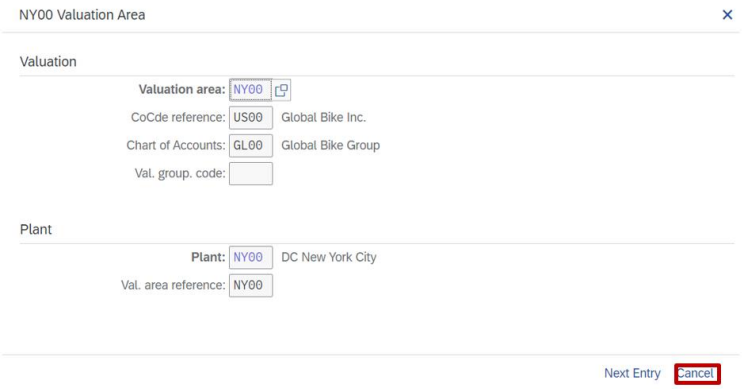
1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ► Materials Management ► Valuation and Account Assignment ► Account Determination ► Account Determination Without Wizard ► Configure Automatic Postings



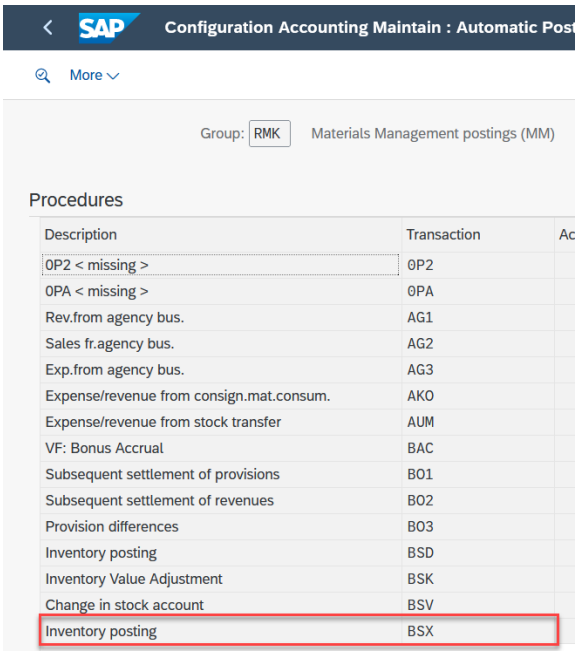
If the NY00 Valuation Area image appears, click Cancel.



2. In the *Automatic Posting* screen, click on the Account Assignment icon.

3. In the *Configuration Accounting Maintain: Automatic Post – Procedures* screen, double-click on *BSX*.

BSX



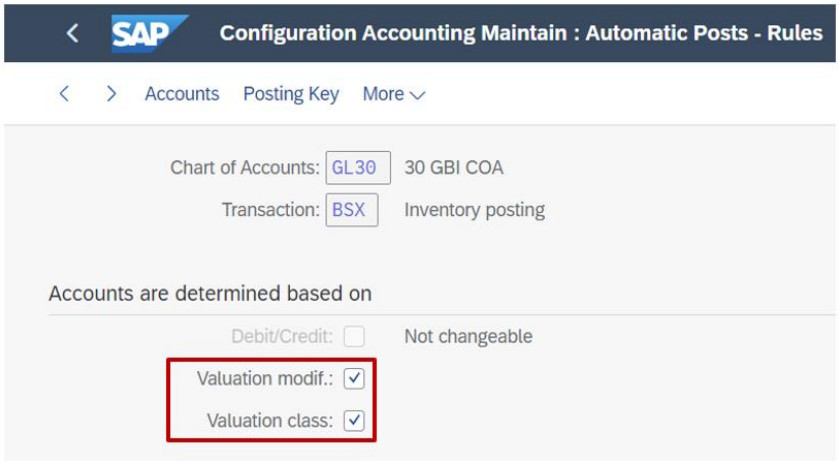
4. In the *Enter Chart of Accounts* pop-up enter **GL##** and click ✓.

GL##

5. In the *Configuration Accounting Maintain: Automatic Posts – Rules* screen, enter the following information:

Attribute	Data value
Valuation modif.	*Selected*
Valuation class	*Selected*

Selected
Selected



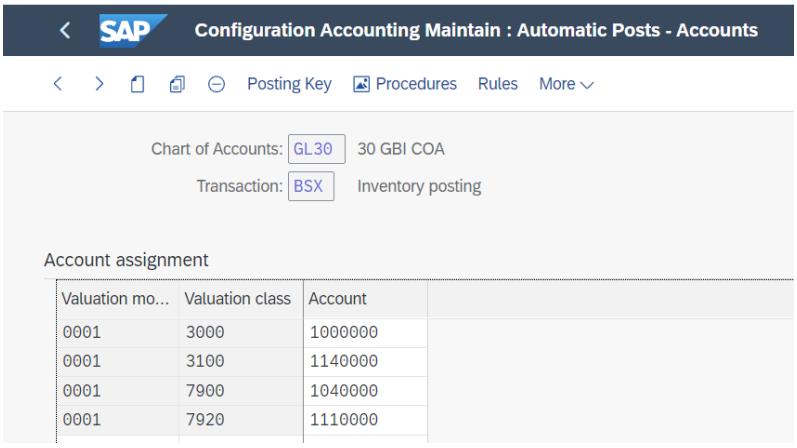
6. Click on **Save**. You will receive a message that says Changes have been made

7. In the *Configuration Accounting Maintain: Automatic Posts- Accounts* screen, enter the following information:

Valuation modif.	Valuation class	G/L account
0001	*Raw materials I* (3000)	*Your Inventory-Raw Materials* (1000000)
0001	*Trading Goods* (3100)	*Your Inventory-Trading Goods* (1140000)
0001	*Finished products* (7920)	*Your Inventory-Finished Goods* (1110000)
0001	*Semifinished products (7900)*	*Your Inventory-Semi-Finished Goods* (1040000)

1000000
1140000
1110000
1040000

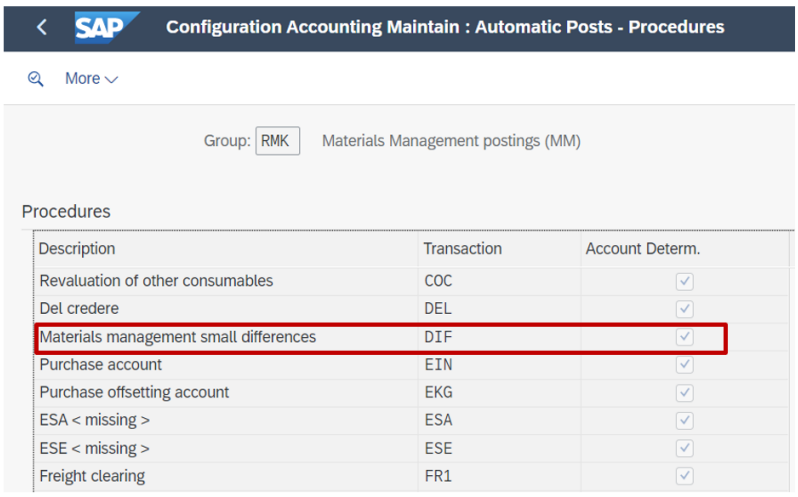
8. Click on **Save**. You will receive a message that says Changes have been made.



9. Click on .

10. In the *Configuration Accounting Maintain: Automatic Posts- Procedures* screen, double-click on *DIF*

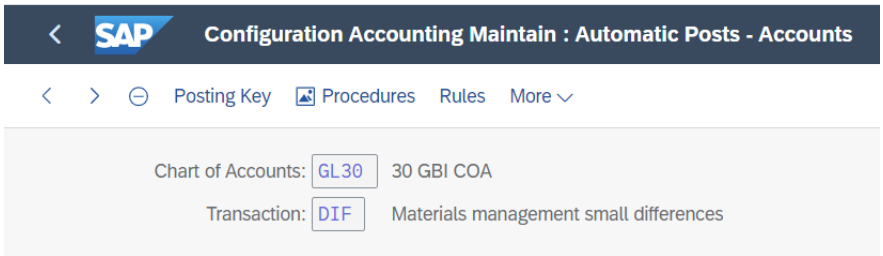
DIF



11. . If the *Enter Chart of Accounts* pop-up appears, enter **GL##** and click on ✓.

GL##

12. In the *Configuration Accounting Maintain: Automatic Posts - Rules* screen, click on Save. You will receive a message that says ✓ Changes have been made.

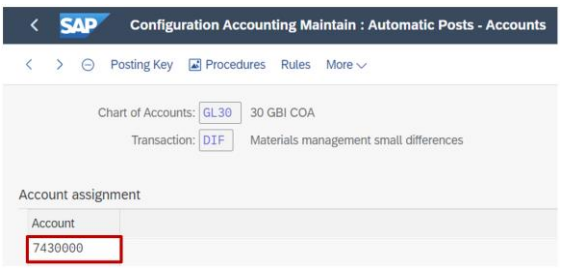


13. You are in the *Configuration Accounting Maintain: Automatic Posts- Accounts* screen, enter the following information:

Attribute	Data value
Account	*Your Purchase Price Difference* (7430000)

7430000

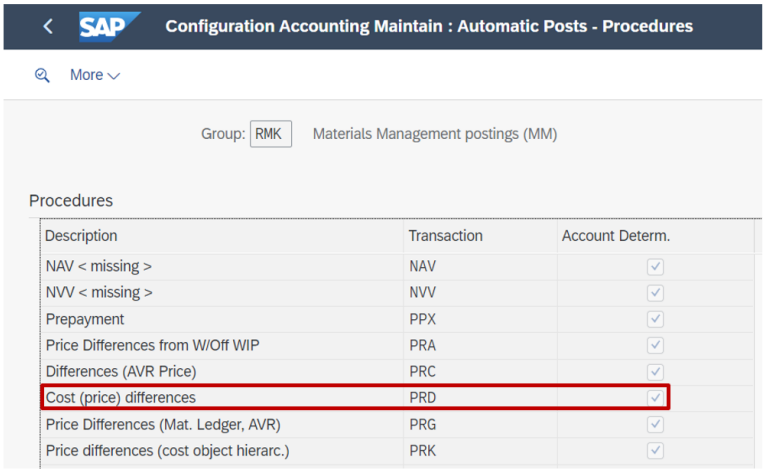
14. Click on Save. You receive a message that says, ✓ Changes have been made.



15. Click on (Back).

16. In the *Configuration Accounting Maintain: Automatic Posts - Procedures* screen, double-click on *PRD*.

PRD



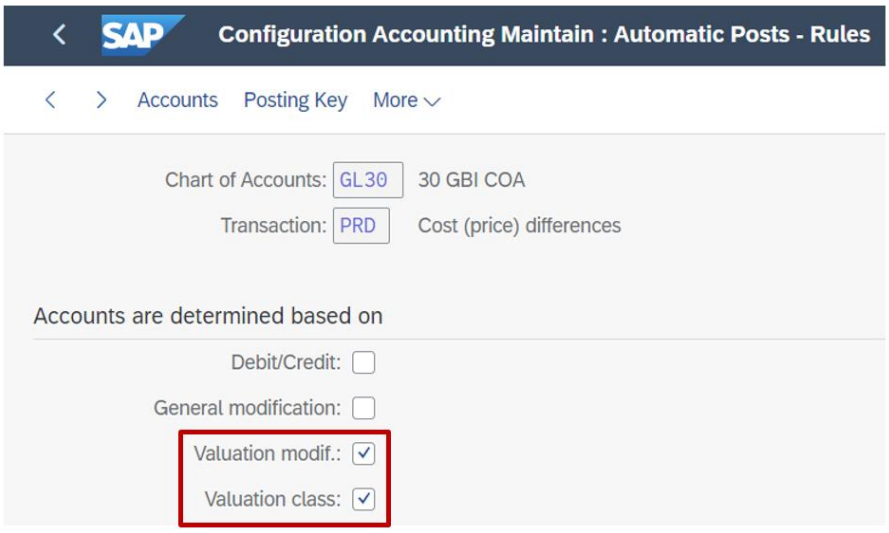
17. If the *Enter Chart of Accounts* pop-up appears, enter **GL##** and click on .

GL##

18. In the *Configuration Accounting Maintain: Automatic Posts – Rules* screen, enter the following information:

Attribute	Data value
Valuation modif.	*Selected*
Valuation class	*Selected*

Selected
Selected



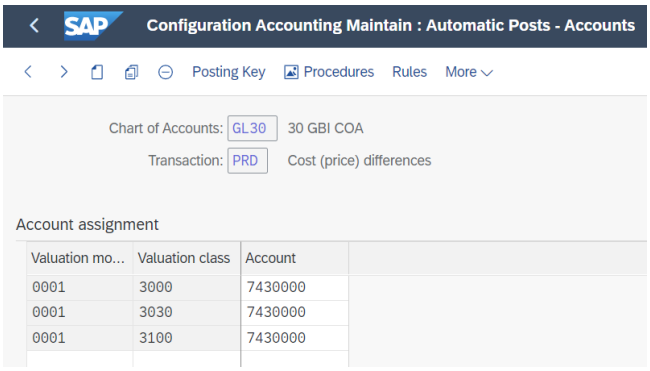
19. Click on Save. You will receive a message that says Changes have been made.

20. You are in the *Configuration Accounting Maintain Automatic Posts – Accounts* screen. Enter the following information:

Valuation modif.	Valuation class	G/L account
0001	Raw materials 1 (3000)	*Your Purchase Price Difference (7430000)*
0001	Operating Supplies (3030)	*Your Purchase Price Difference (7430000)*
0001	Trading goods (3100)	*Your Purchase Price Difference (7430000)*

0001
0001
0001
3000
3030
3100
7430000
7430000
7430000

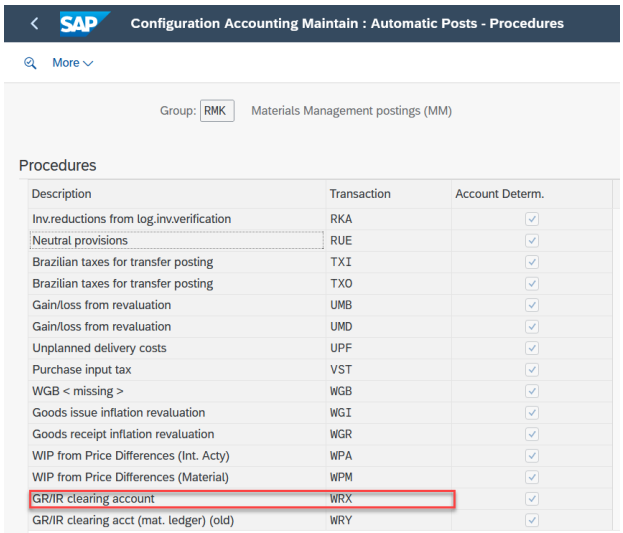
21. Click on Save. You receive a message that says Changes have been made.



22. Click on (Back).

23. In the *Configuration Accounting Maintain: Automatic Posts – Procedures* screen, double-click on *WRX*.

WRX



24. In the *Configuration Accounting Maintain: Automatic Posts - Rules* screen, enter the following information:

Attribute	Data value
Valuation modif.	*Selected*
Valuation class	*Selected*

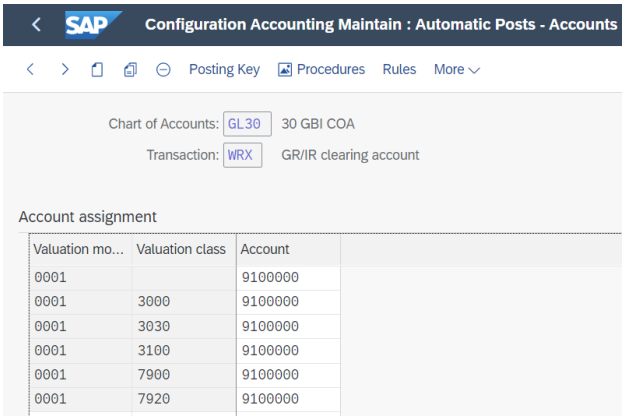
Selected
Selected

25. Click on Save. You will receive a message that says Changes have been made.

26. You are in the *Configuration Accounting Maintain: Automatic Posts - Accounts* screen, enter the following information:

Valuation modif.	Valuation class	G/L account
0001		*Your Goods Receipt/ Invoice receipt Account (9100000)*
0001	*Raw Materials I (3000)*	*Your Goods Receipt/ Invoice receipt Account (9100000)*
0001	*Operating supplies (3030)*	*Your Goods Receipt/ Invoice receipt Account (9100000)*
0001	*Trading goods (3100)*	*Your Goods Receipt/ Invoice receipt Account (9100000)*
0001	*Semifinished products (7900)*	*Your Goods Receipt/ Invoice receipt Account (9100000)*
0001	*Finished products (7920)*	*Your Goods Receipt/ Invoice receipt Account (9100000)*

27. Click on Save. You receive a message that says Changes have been made.



28. Click Terminate and then Exit to return to the *SPRO* menu.

II.2.7 Maintain Default Values for Tax Codes

Task Set up tax code default values for vendor invoices. **Time** 5 min

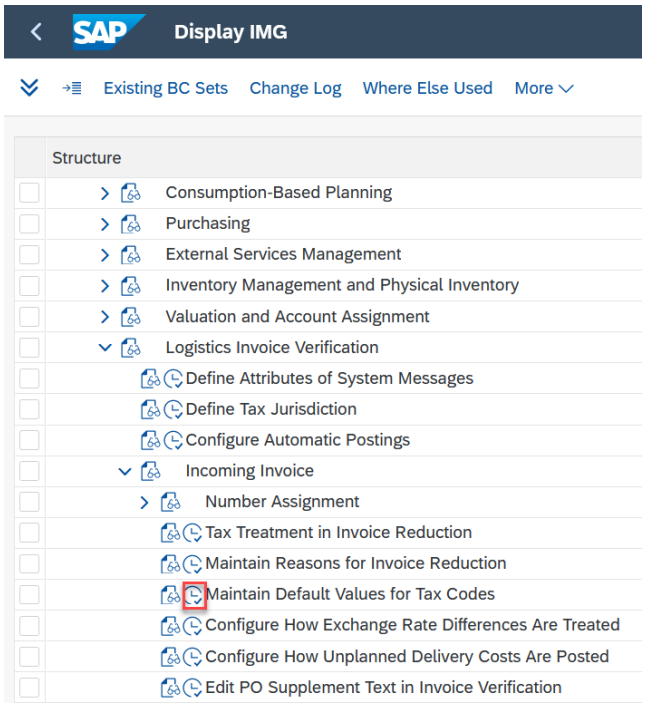
In this task, you maintain default values for *tax codes* in your company code. In order to speed up invoice verification process, it is advisable to enter default tax codes.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Materials Management ► Logistics Invoice Verification ► Incoming Invoice ► Maintain Default Values for Tax Codes

Menu path



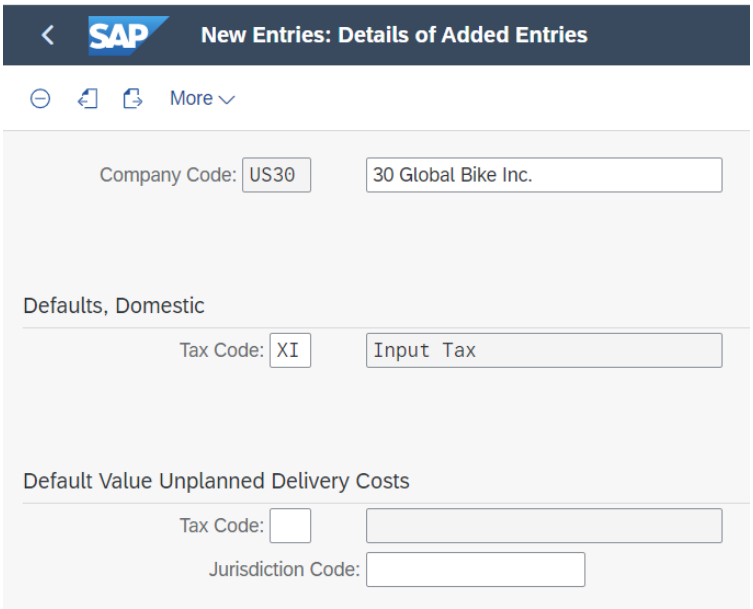
2. You are in the *Change View "Tax Defaults in Invoice Verification": Overview* screen. Click on New Entries.

3. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Company Code	*Your Global Bike Inc. (US##)*
Tax Code	*Input Tax (XI)*

US##
XI

4. Click on Save. You will receive a message that says Data was saved.



5. Click Exit to return to the *SPRO* menu.

II.2.8 Set Tolerance Limits for Purchase Orders

Task Define upper and lower limits for price tolerance in purchase orders. **Time** 5 min

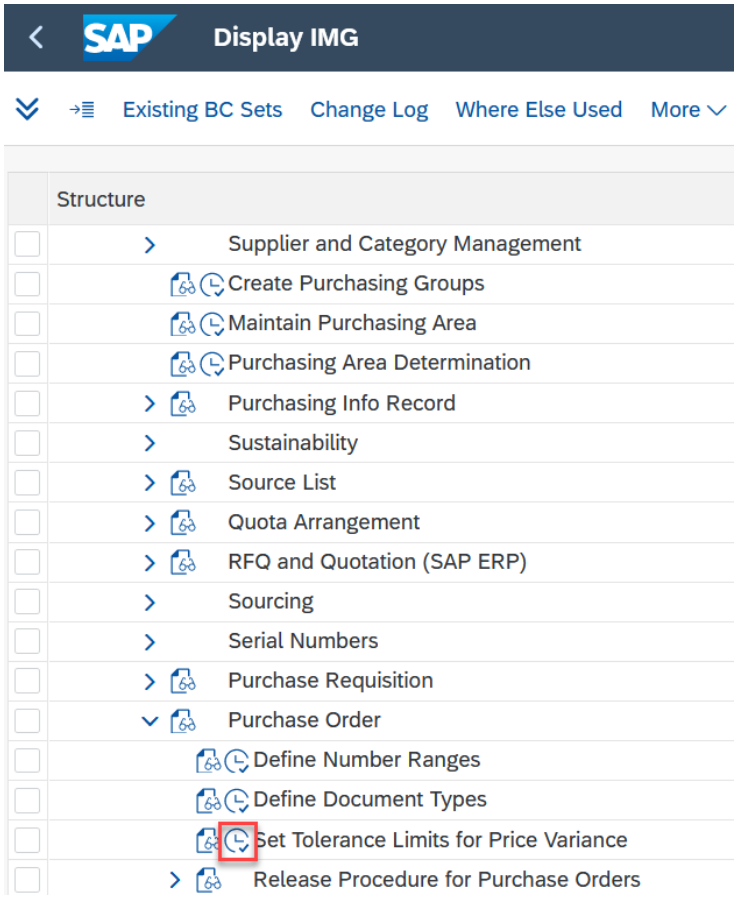
Motivation

In this task, you set tolerance limits for price variances. When processing a *purchase order*, the effective price of a purchase order item is compared with the valuation price in the material record. You will be setting the tolerance limit for the variability.

1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ▶ Materials Management ▶ Purchasing ▶ Purchase Order ▶ Set Tolerance Limits for Price Variance

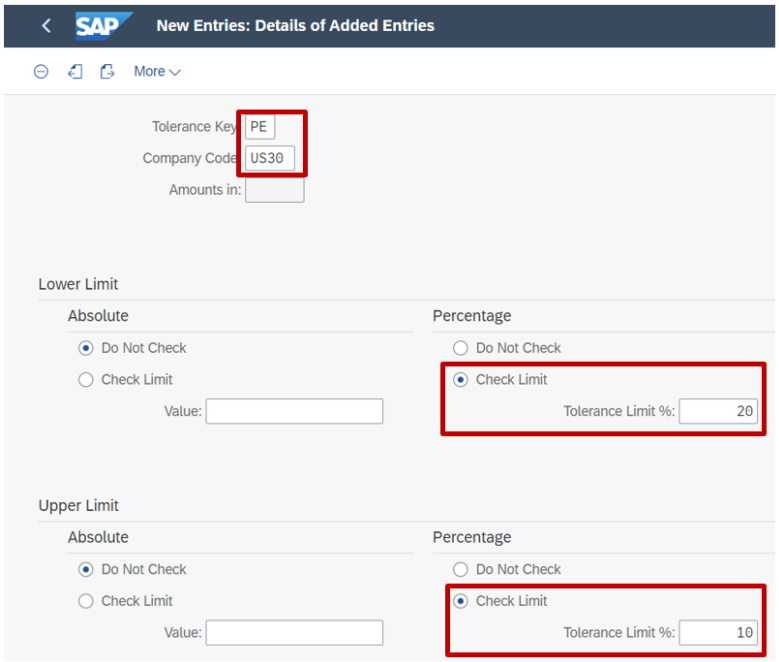


2. In the *Change View "Tolerance Limits": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Tolerance key	*Price variance: purchasing (PE)*
Company Code	*Your Global Bike Inc. (US##)*
Lower limit Percentage Check limit	*Selected*
Lower limit Percentage Tolerance limit %	*20*
Upper limit Percentage Check limit	*Selected*
Upper limit Percentage Tolerance limit %	*10*

PE
US##
Selected
20
Selected
10



4. Click on *Next Entry* icon and enter the following information:

Attribute	Data value
Tolerance Key	*Max. cash disc. deduction (purchasing) (SE)*
Company Code	*Your Global Bike Inc. (US##)*

SE
US##

5. Click on **Save**. You will receive a message that says Data was saved.

6. Click Exit on to return to the *SPRO* menu.

II.2.9 Set Tolerance Limits for Goods Receipts

Task Set up limits for price variance warnings and errors for good receipts. **Time** 5 min

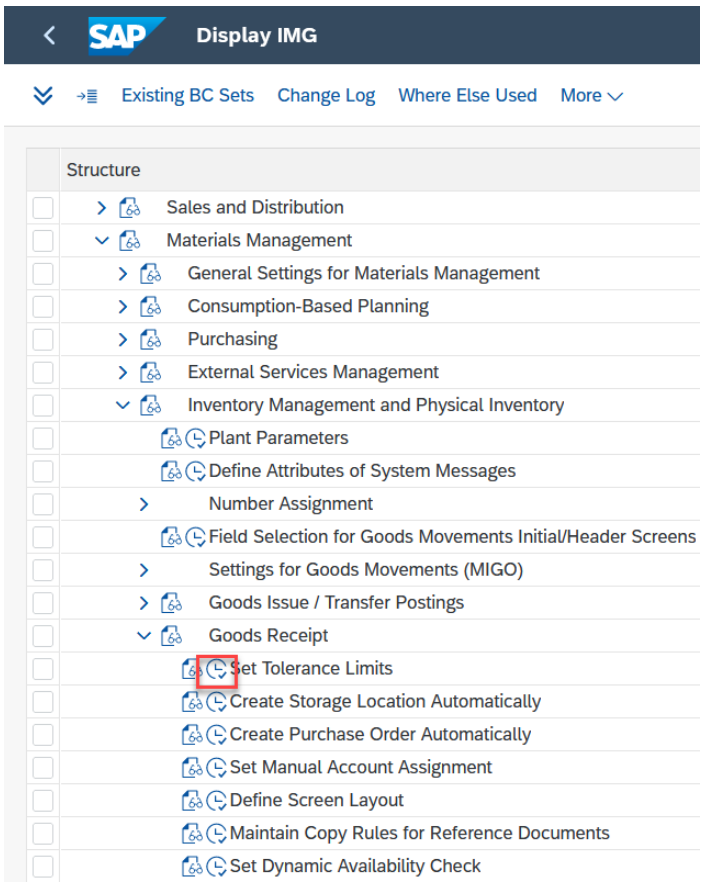
In this task, you set restrictions on G *goods receipt* variances. When processing a goods receipt, the system checks each item to determine whether the goods receipt varies.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ▶ Materials Management ▶ Inventory Management and Physical Inventory ▶ Goods Receipt ▶ Set Tolerance Limits

Menu path



2. In the *Change View "Tolerance Limits": Overview* screen, click on the New Entries.

3. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Tolerance Key	*Order price qty variance (GR)/ E-MSG (B1)*
Company Code	*Your Global Bike Inc. (US##)*

B1
US##

4. Click on *Next Entry* icon .

5. Enter the following information:

Attribute	Data value
Tolerance Key	*Order price qty variance (GR)/ W-MSG (B2)*
Company Code	*Your Global Bike Inc. (US##)*

B2
US##

6. Click on *Next Entry* icon .

7. Enter the following information:

Attribute	Data value
Tolerance Key	*Moving average price variance (VP)*
Company Code	*Your Global Bike Inc. (US##)*

VP
US##

8. Click on Save. You will receive a message that says Data was saved .

9. Click Exit on to return to the *SPRO* menu.

II.2.10 Set Tolerance Limits for Invoices

Task Set up limits for price variance warnings and errors for good receipts. **Time** 10 min

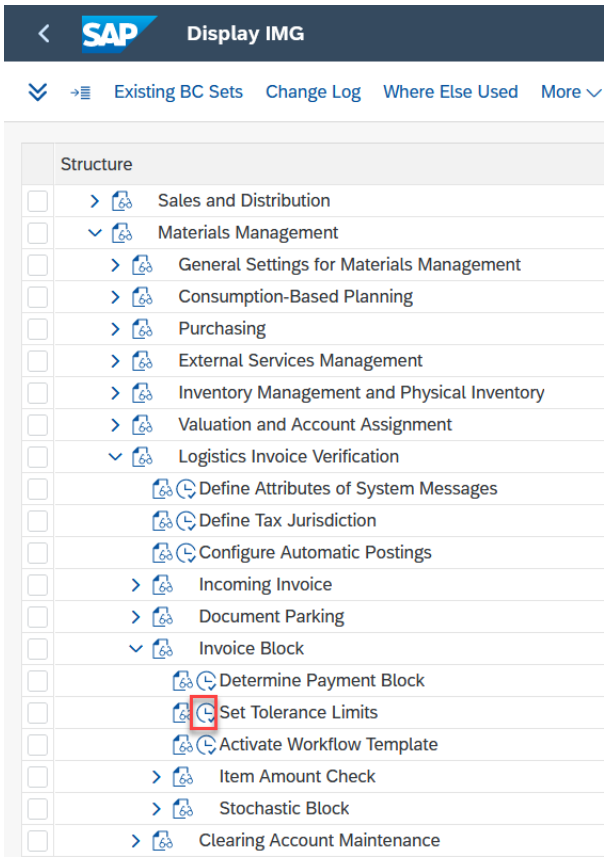
In this task, you set restrictions on variances between the purchase order and its related G *vendor invoice*. When processing an invoice, the system checks each item for variances.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Materials Management ► Logistics Invoice Verification ► Invoice Block ► Set Tolerance Limits

Menu path



2. In the *Change View "Tolerance Limits": Overview* screen, click on the New Entries.

3. In the *New Entries: Overview of Added Entries* screen, enter the following information:

Attribute	Data value
Tolerance Key	*Amount for item without order reference (AN)*
Company Code	*Your Global Bike Inc. (US##)*

AN
US##

4. Click on *Next Entry* icon .

5. Repeat steps 3. to 4. for the following tolerance keys:

Tolerance key	Description
AP	Amount for item with order reference
BD	Form small differences automatically
BR	Percentage OPUn variance (IR before GR)
BW	Percentage OPUn variance (GR before IR)
DQ	Exceed amount: quantity variance
KW	Var. from condition value
PP	Price variance
PS	Price variance: estimated price
ST	Date variance (value x days)

6. Click on Save. You will receive a message that says Data was saved .

7. Click on Exit to return to the *SPRO* menu.

II.2.11 Set Tolerance Limits for Outgoing Payments

Task Define tolerance limits for manual outgoing payments. **Time** 10 min

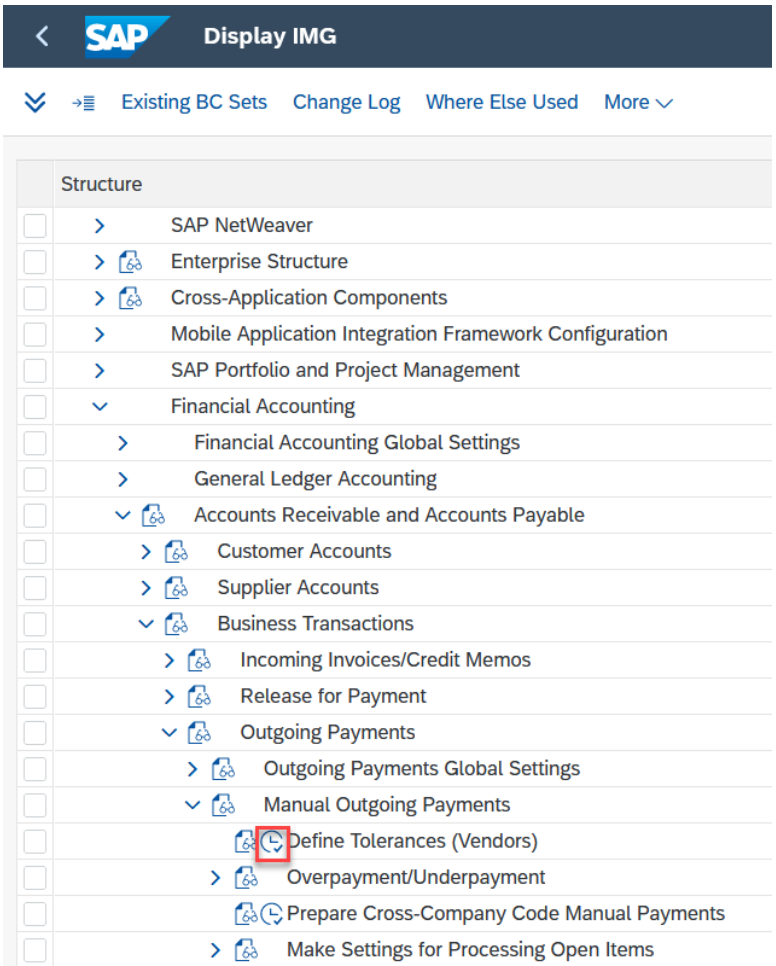
Motivation

In this task, you provide a maximum amount allowed to be posted in documents. You specify the tolerances for vendors. These tolerances are used for dealing with differences in payment and residual items which can occur during payment settlement in the system.

1. In the *Display IMG* screen, follow the menu path:

Menu path

SAP Customizing Implementation Guide ▶ Financial Accounting ▶ Accounts Receivable and Accounts Payable ▶ Business Transactions ▶ Outgoing Payments ▶ Manual Outgoing Payments ▶ Define Tolerances (Vendors)

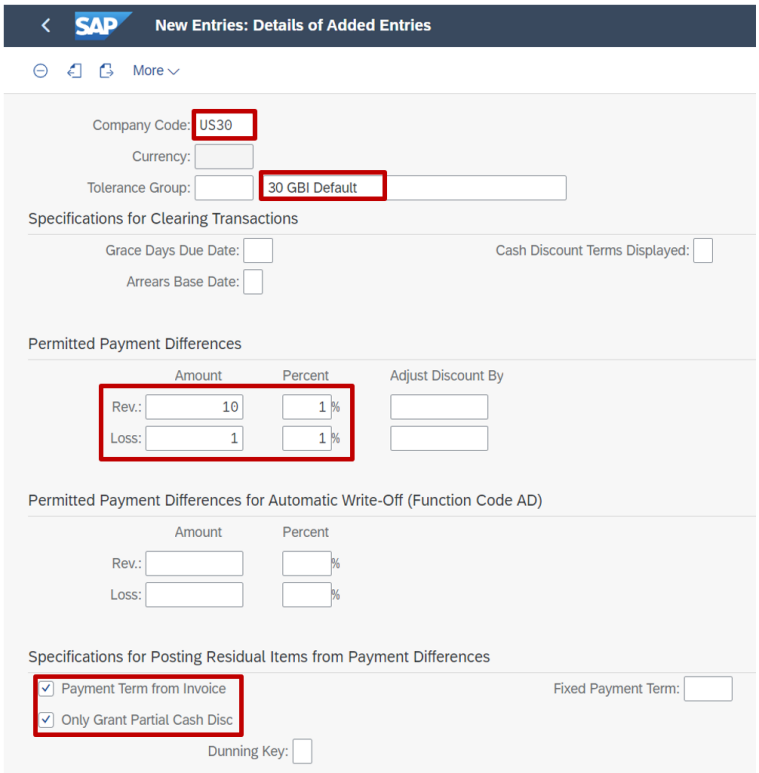


2. In the *Change View "Customer/Vendor Tolerances": Overview* screen, click on the New Entries.

3. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Company Code	*Your Global Bike Inc. (US##)*
Tolerance group	*Leave empty*
Name of Tolerance Group	*## GBI Default*
Permitted Payment Differences - Rev. Amount	*10*
Permitted Payment Differences - Rev. Percent	*1*
Permitted Payment Differences - Loss Amount	*1*
Permitted Payment Differences - Loss Percent	*1*
Payment Term from Invoice	*Selected*
Only Grant Partial Cash Disc.	*Selected*

US##
Leave Blank
GBI Default
10
1
1
1
Selected
Selected

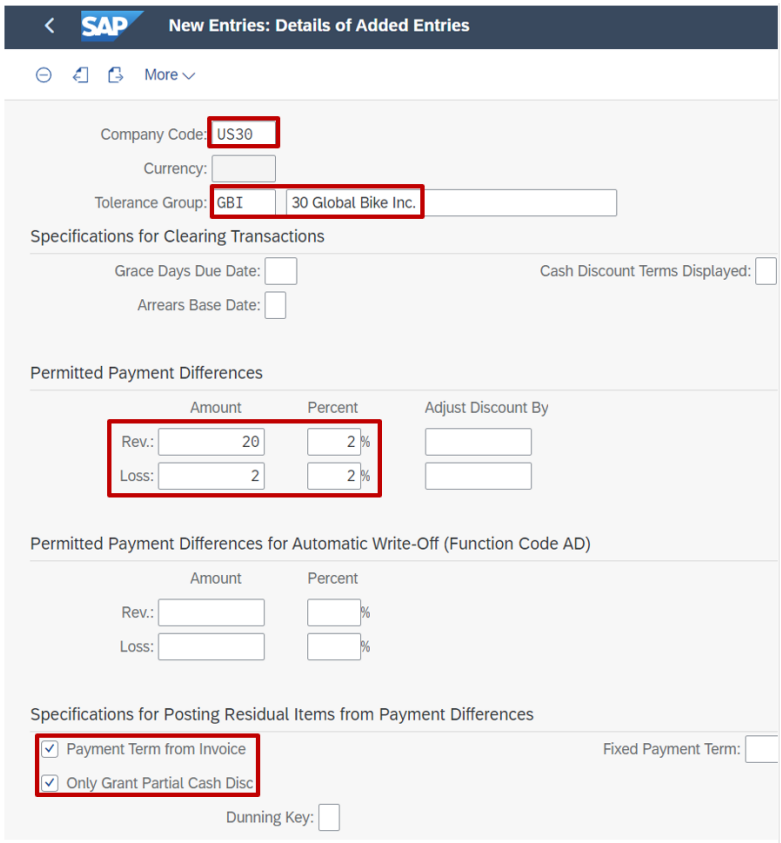


4. Click on *Next Entry* icon .

5. Enter the following information:

Attribute	Data value
Company Code	*Your Global Bike Inc. (US##)*
Tolerance group	*GBI*
Name of Tolerance Group	*## Global Bike Inc.*
Permitted Payment Differences - Rev. Amount	*20*
Permitted Payment Differences - Rev. Percent	*2*
Permitted Payment Differences - Loss Amount	*2*
Permitted Payment Differences - Loss Percent	*2*
Payment Term from Invoice	*Selected*
Only Grant Partial Cash Disc.	*Selected*

US##
GBI
Global Bike Inc.
20
2
2
2
Selected
Selected



6. Click on **Save**. You will receive a message that says Data was saved.

7. Click on **Exit** to return to the *SPRO* menu.

II.2.12 Define Default Values for Inventory

Task Define posting key defaults for invoice verification. **Time** 5 min

In this task, you update the keys used in the invoice verification process. For each storage type to be inventoried, you specify which data appears on the warehouse inventory list and define the layout of the *Enter Inventory Count* screen.

Motivation

- in the customizing area, open the app….

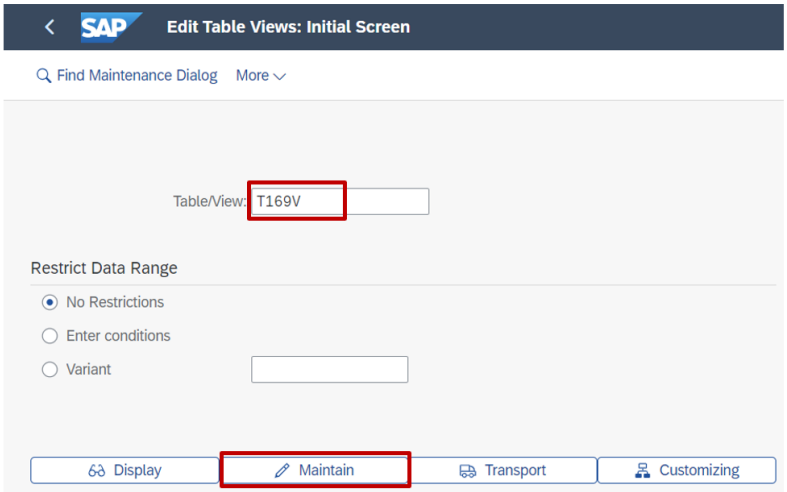
Menu path

1. In the *Edit Table Views: Initial Screen* screen, enter the following information:

Attribute	Data value
Table/View	*T169V*

T169V

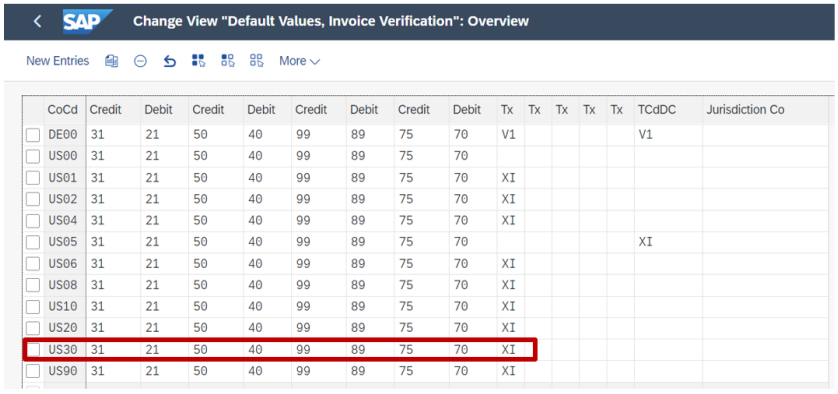
2. Click on Maintain.



3. You are in the *Change View "Default Values, Invoice Verification": Overview* screen. Enter the following information:

Attribute	Data value
CoCd	*Your Global Bike Inc*. (US##)
Credit	*Invoice* (31)
Debit	21
Credit	*Credit entry* (50)
Debit	*Debit entry* (40)
Credit	*Stock outwd movement* (99)
Debit	*Stock inwrd movement* (89)
Credit	*Credit asset* (75)
Debit	*Debit asset* (70)

US##
31
21
50
40
99
89
75
70



CoCd	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Tx	Tx	Tx	Tx	Tx	TCdDC	Jurisdiction Co
DE00	31	21	50	40	99	89	75	70	V1					V1	
US00	31	21	50	40	99	89	75	70							
US01	31	21	50	40	99	89	75	70	XI						
US02	31	21	50	40	99	89	75	70	XI						
US04	31	21	50	40	99	89	75	70	XI						
US05	31	21	50	40	99	89	75	70						XI	
US06	31	21	50	40	99	89	75	70	XI						
US08	31	21	50	40	99	89	75	70	XI						
US10	31	21	50	40	99	89	75	70	XI						
US20	31	21	50	40	99	89	75	70	XI						
US30	31	21	50	40	99	89	75	70	XI						
US90	31	21	50	40	99	89	75	70	XI						

4. Click on **Save**. You will receive a message that says Data was saved.

5. Click twice on Exit to return to the *Fiori Launchpad*.

II.2.13 Define Default Values for Plants

Task Define default values for inventory management in your three US plants. **Time** 10 min

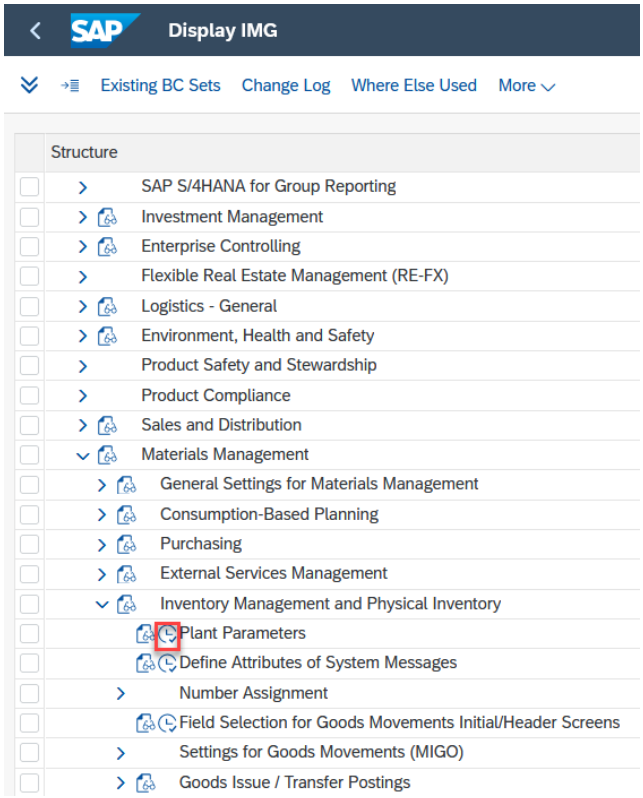
In this task, you set some parameters for managing material inventories. This will determine the amount of time that materials can be retained. It will also be determined if movement is allowed and for how much time it is allowed within the system.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Material Management ► Inventory Management and Physical Inventory ► Plant Parameters

Menu path

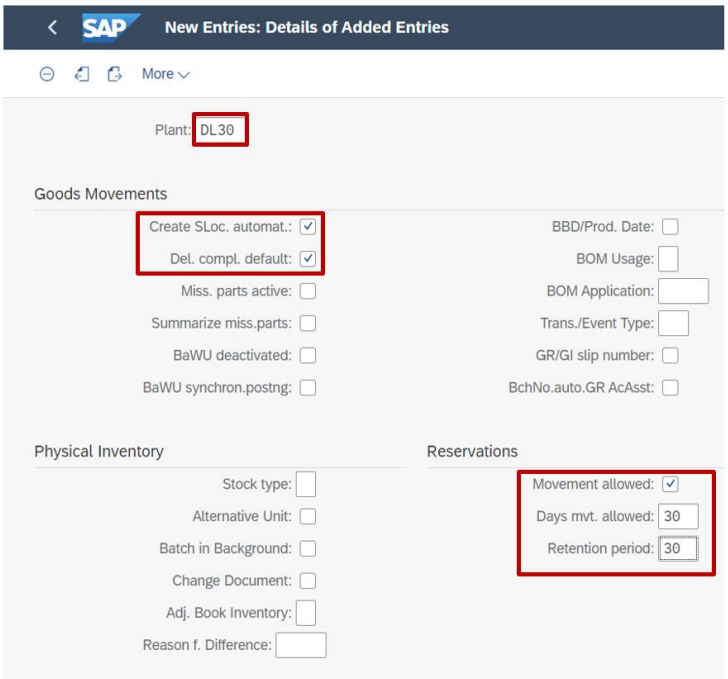


2. You are in the *Change View "General plant settings in Inventory Management": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Details of Added Entries* screen, enter the following information:

Attribute	Data value
Plant	*Your Plant Dallas (DL##)*
Create SLoc. automat.	*Selected*
Del. compl. default	*Selected*
Movement allowed	*Selected*
Days mvt allowed	*30*
Retention period	*30*

DL##
Selected
Selected
Selected
30
30



4. Click on .

5. Enter the following information:

Attribute	Data value
Plant	*Your Plant DC Miami (MI##)*
Create SLoc. Automat.	*Selected*
Del. Compl. Default	*Selected*
Movement Allowed	*Selected*
Days mvt allowed	*30*
Retention period	*30*

MI##
Selected
Selected
30
30

6. Click on .

7. Enter the following information:

Attribute	Data value
Plant	*Your Plant DC San Diego* (SD##)
Create SLoc. Automat.	*Selected*
Del. Compl. Default	*Selected*
Movement Allowed	*Selected*
Days mvt allowed	*30*
Retention period	*30*

SD##
Selected
Selected
Selected
30
30

8. Click on Save. You will get a message that says Data was saved .

9. Click on Exit to return to the *SPRO* menu.

II.2.14 Define Attributes of Material Types

Task Define system parameters for material types. **Time** 20 min

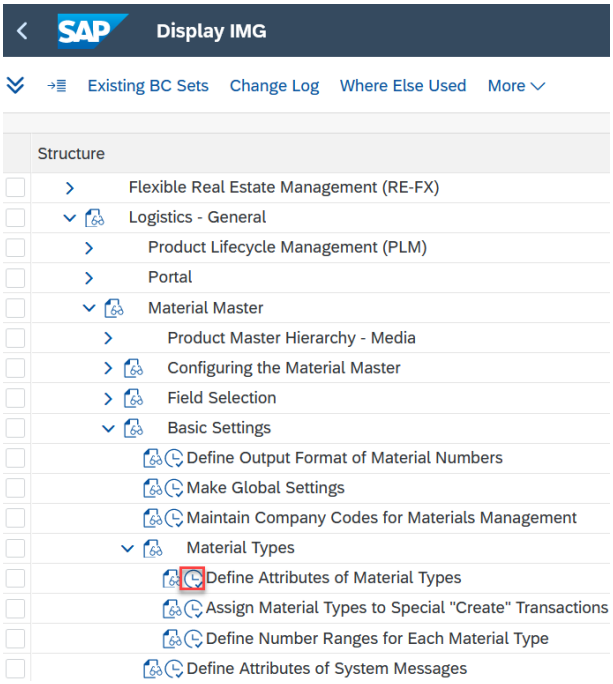
In this task, you define specific settings for different *material types*. When you create a *material master record*, you must assign it to a material type. A material type is a grouping together of materials with the same basic attributes such as raw materials or finished products.

Motivation

1. In the *Display IMG* screen, follow the menu path:

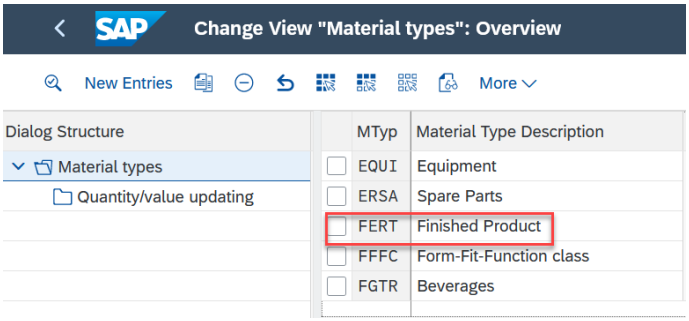
SAP Customizing Implementation Guide ▶ Logistics – General ▶ Material Master ▶ Basic Settings ▶ Material Types ▶ Define Attributes of Material Types

Menu path

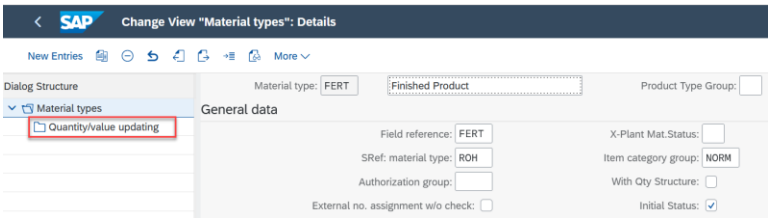


2. In the *Change View "Material types": Overview* screen, double-click on *FERT*.

FERT



3. In the *Change View "Material types": Details* screen double-click on *Quantity/value updating*.



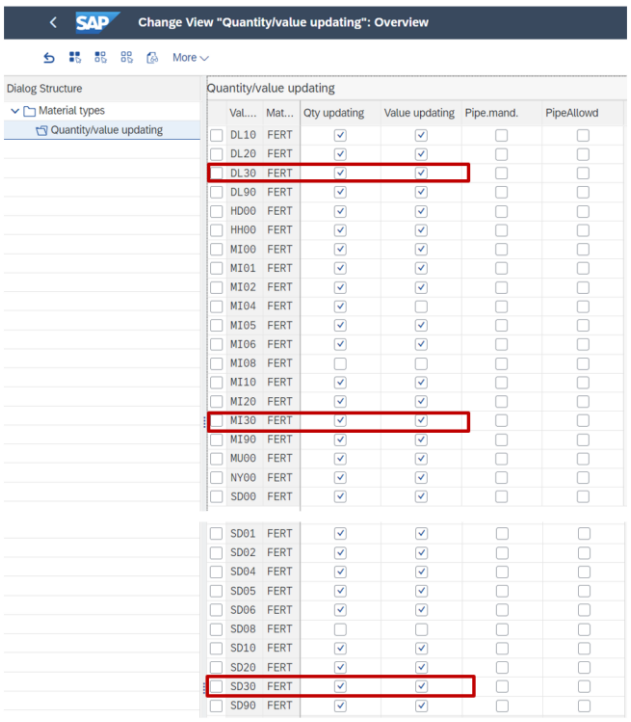
4. In the *Change View "Quantity/value updating": Overview* screen, enter the following information:

Attribute	Data value
Val. Area	*Your Plant Dallas (DL##)*
Matl type	*Finished Product (FERT)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC Miami (MI##)*
Matl type	*Finished Product (FERT)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC San Diego (SD##)*
Matl type	*Finished Product (FERT)*
Qty updating	*Selected*
Value updating	*Selected*

DL##
FERT
Selected
Selected

MI##
FERT
Selected
Selected

SD##
FERT
Selected
Selected



5. Click on Save. You will receive a message that says

   Data was saved.

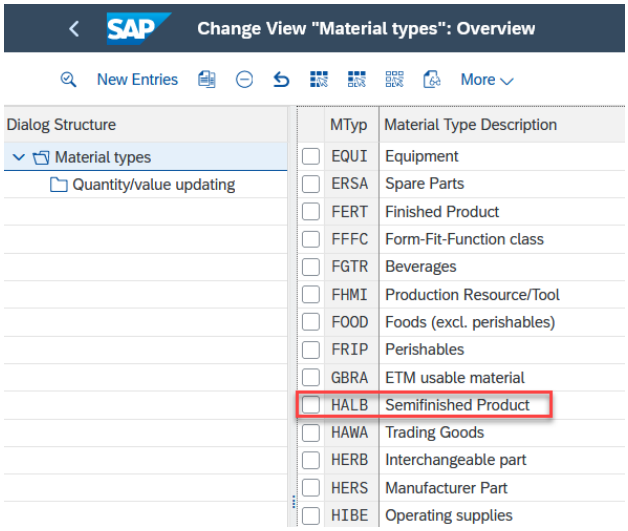
   If you receive this message:

   Changing the quantity/value update may cause inconsistencies

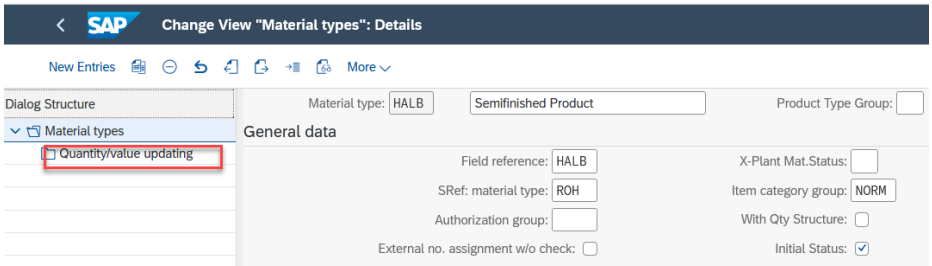
   Confirm the message by clicking again on Save, you will receive a message saying Data was saved.

6. Click on < twice.

7. In the *Change View "Material types": Overview* screen, double-click on *HALB*.



8. In the *Change View "Material types": Details* screen double-click on Quantity/value updating.



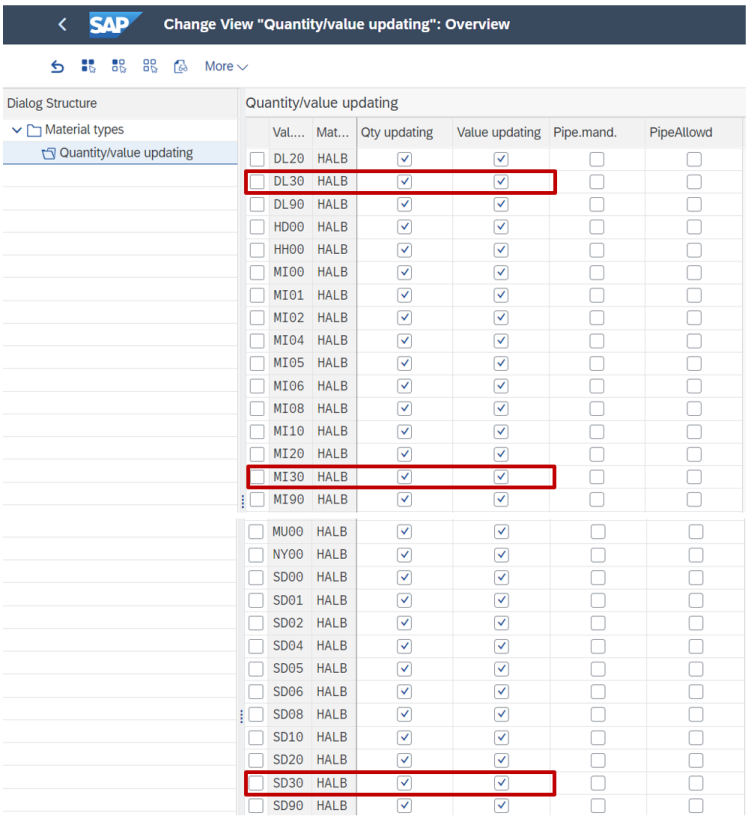
9. In the *Change View "Quantity/value updating": Overview* screen, enter the following information:

Attribute	Data value
Val. Area	*Your Plant Dallas (DL##)*
Matl type	*Semifinished Product (HALB)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC Miami (MI##)*
Matl type	*Semifinished Product (HALB)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC San Diego (SD##)*
Matl type	*Finished Product (HALB)*
Qty updating	*Selected*
Value updating	*Selected*

DL##
HALB
Selected
Selected

MI##
HALB
Selected
Selected

SD##
HALB
Selected
Selected



10. Click on **Save**. You will receive a message that says

Data was saved .

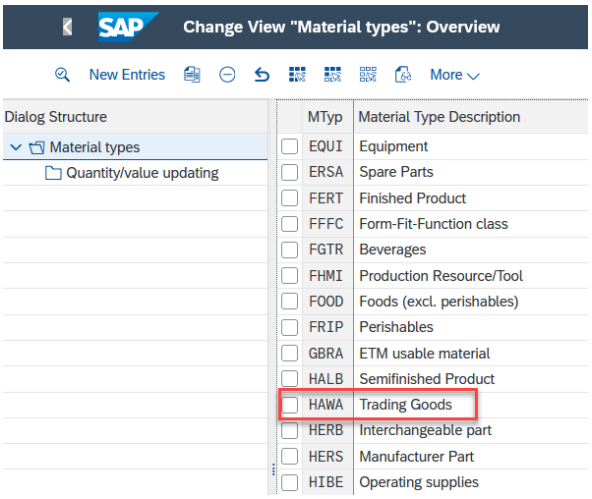
If you receive this message:

Changing the quantity/value update may cause inconsistencies

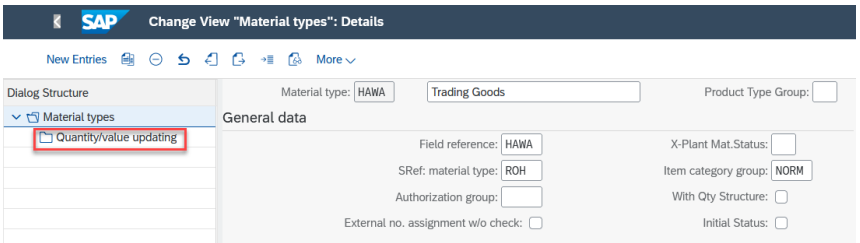
Confirm the message by clicking again on Save, you will receive a message saying Data was saved .

11. Click on twice.

12. In the *Change View "Material types": Overview* screen, double-click on *HAWA*. HAWA



13. In the *Change View "Material types": Details* screen double-click on *Quantity/value updating*.



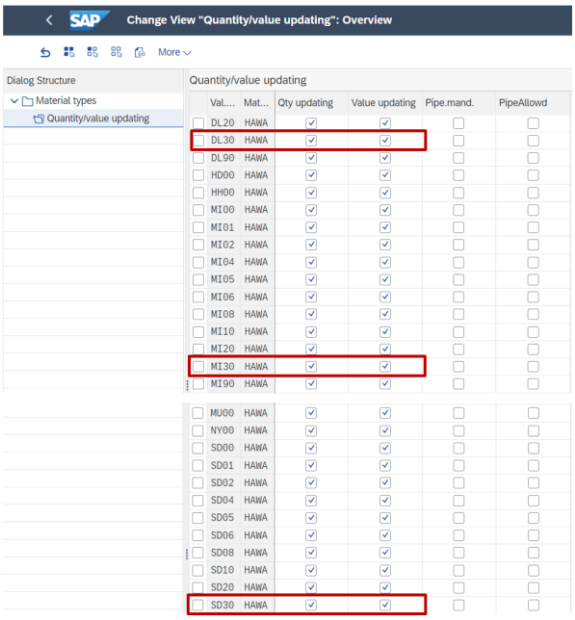
14. In the *Change View "Quantity/value updating": Overview* screen, enter the following information:

Attribute	Data value
Val. Area	*Your Plant Dallas (DL##)*
Matl type	*Trading Goods (HAWA)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC Miami (MI##)*
Matl type	*Trading Goods (HAWA)*
Qty updating	*Selected*
Value updating	*Selected*
Attribute	**Data value**
Val. Area	*Your DC San Diego (SD##)*
Matl type	*Trading Goods (HAWA)*
Qty updating	*Selected*
Value updating	*Selected*

DL##
HAWA
Selected
Selected

MI##
HAWA
Selected
Selected

SD##
HAWA
Selected
Selected



15. Click on **Save**. You will receive a message that says

Data was saved.

If you receive this message:

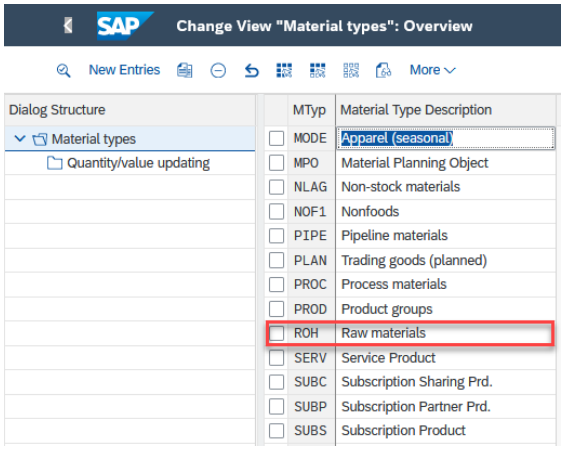
Changing the quantity/value update may cause inconsistencies

Confirm the message by clicking again on **Save**, you will receive a message saying Data was saved.

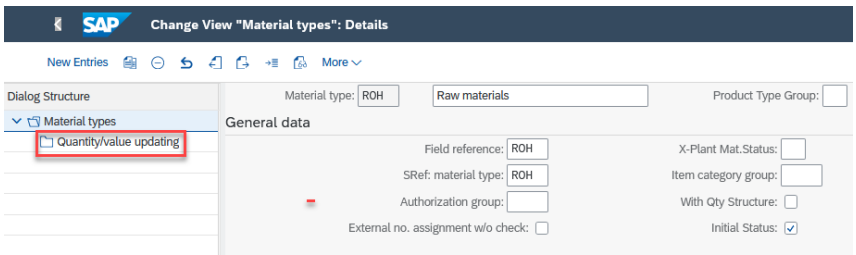
16. Click on < twice.

17. In the *Change View "Material types": Overview* screen, double-click on *ROH*.

ROH

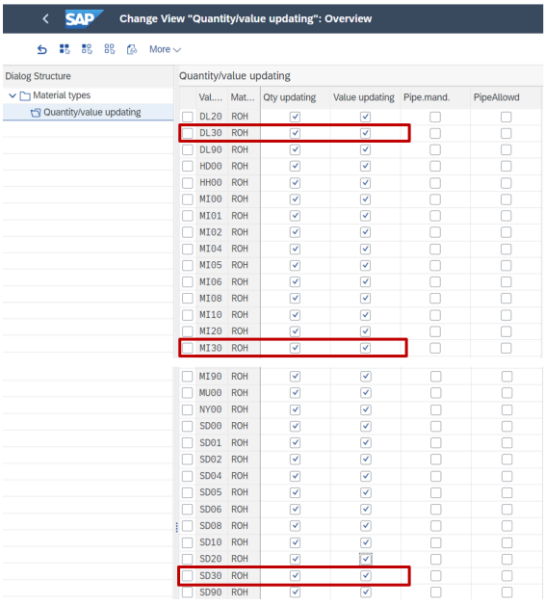


18. In the *Change View "Material types": Details* screen double-click on *Quantity/value updating*.



19. In the *Change View "Quantity/value updating": Overview* screen, enter the following information:

Attribute	**Data value**	
Val. Area	*Your Plant Dallas (DL##)*	DL##
Matl type	*Raw materials (ROH)*	ROH
Qty updating	*Selected*	Selected
Value updating	*Selected*	Selected
Attribute	**Data value**	
Val. Area	*Your DC Miami (MI##)*	MI##
Matl type	*Raw materials (ROH)*	ROH
Qty updating	*Selected*	Selected
Value updating	*Selected*	Selected
Attribute	**Data value**	
Val. Area	*Your DC San Diego (SD##)*	SD##
Matl type	*Raw materials (ROH)*	ROH
Qty updating	*Selected*	Selected
Value updating	*Selected*	Selected



20. Click on **Save** .

If you receive this message:

⚠ Changing the quantity/value update may cause inconsistencies

Confirm the message by clicking again on **Save** , you will receive a message saying ✓ Data was saved .

21. Click on Exit to return to the *SPRO* menu.

Phase II.3 – Master Data

Task Enter or load Global Bike master data. **Time** 40 min

Short Description Migrate Global Bike's master data for procurement from the legacy system to the S/4HANA system.

Name (Position)	Mona Falco	(System Design and Development Manager)
	Sarah Garcia	(Business Analyst 2)
	[external]	(Junior SAP MM consultant)

Scenario

After the enterprise structure and the business processes for the purchasing department were configured in the system, now the purchasing master data needs to be migrated from the old system(s).

Project structure

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II.3.3 Create Trading Goods 81
II.3.4 Create Vendor 84

II.3.1 Define MRP Controllers

Task Define MRP Controllers for the trading goods in the system. **Time** 5 min

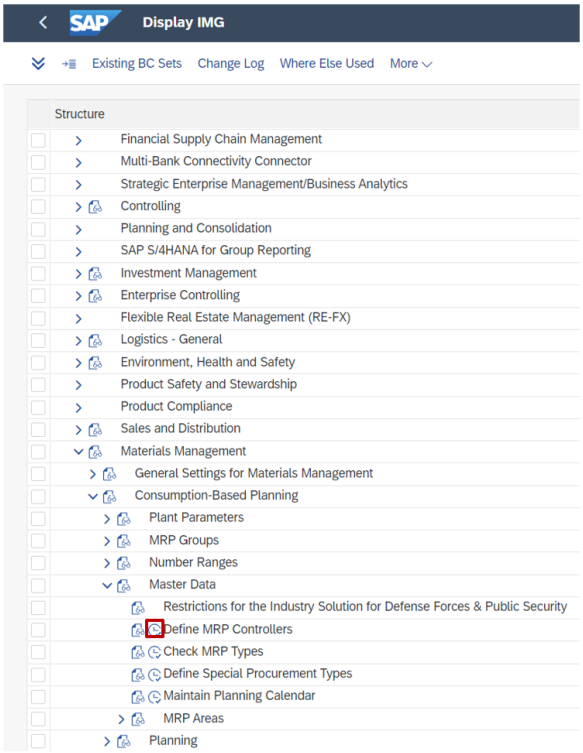
In this task you define MRP Controllers for the trading goods in the system in order to reallocate the trading goods afterwards.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Materials Management ► Consumption-Based Planning ► Master Data ► Define MRP Controllers

Menu path

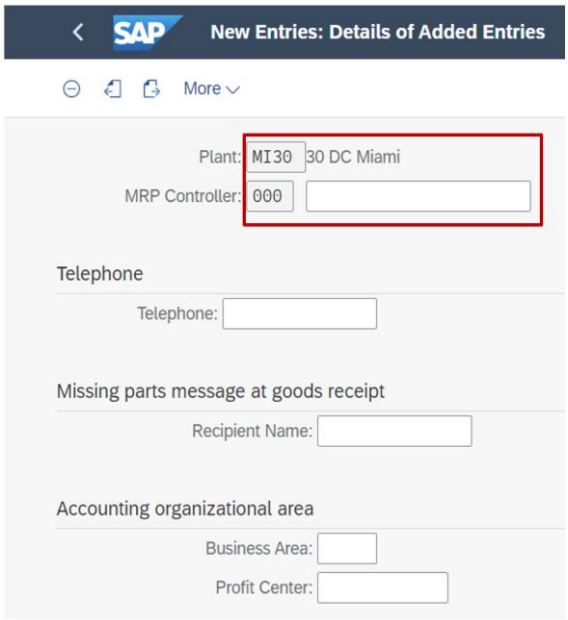


2. In the *change View "MRP Controllers": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Details of Added Entries*, enter the following information:

Attribute	Data value
Plant	*Your plant Miami (MI##)*
MRP Controller	*000 (MI MRP Controller)*

MI## 000



4. Click on **Save**. You will get a message that says Data was saved .

5. Click on Exit to return to the *SPRO* menu.

II.3.2 Define Floats (Scheduling Margin key)

Task Set the scheduling for the trading goods in the system. **Time** 5 min

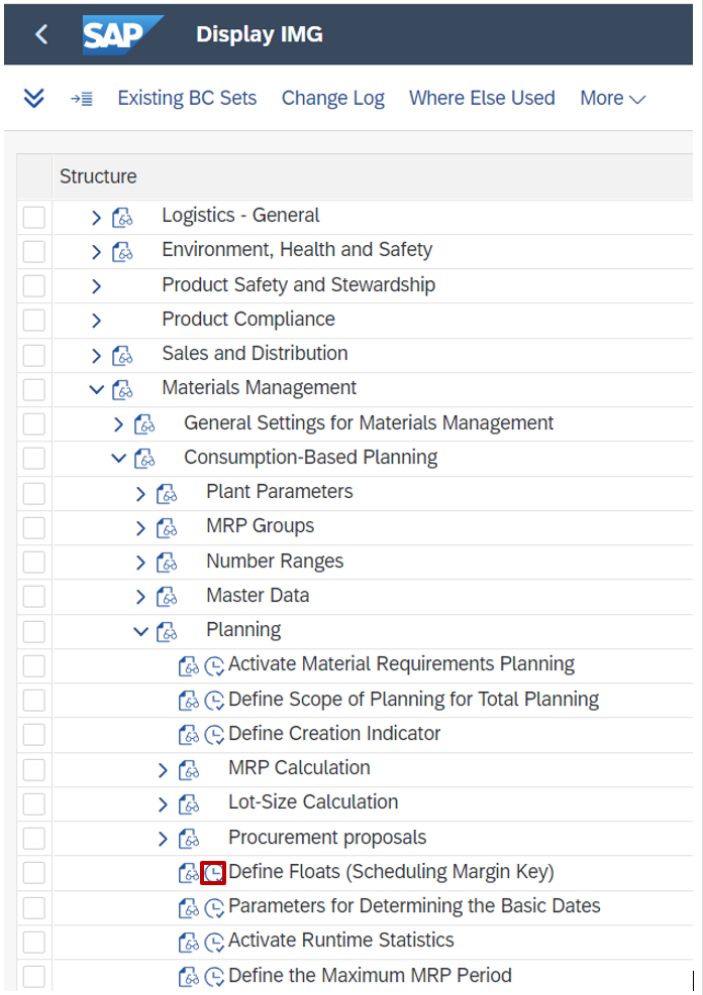
In this task, you define the horizons for scheduling the trade goods in the system.

Motivation

1. In the *Display IMG* screen, follow the menu path:

SAP Customizing Implementation Guide ► Materials Management ► Consumption-Based Planning ► Planning ► Define Floats (Scheduling Margin Key)

Menu path

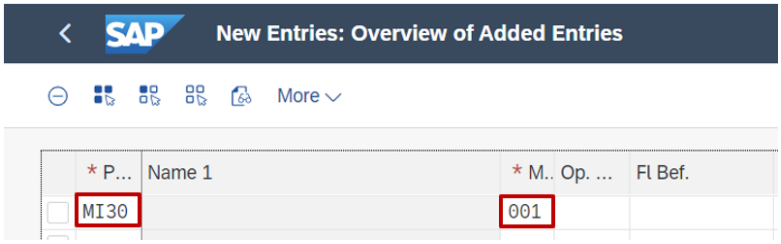


2. In the *change View "Floats for Scheduling": Overview* screen, click on the New Entries icon.

3. In the *New Entries: Details of Added Entries*, enter the following information:

Attribute	Data value
Plant	*Your plant Miami (MI##)*
Marg.-Scheduling Margin Key: Float	*001*

MI##
001



4. Click on Save. You will get a message that says Data was saved .

5. Click on Exit to return to the *SPRO* menu.

II.3.3 Create Trading Goods

Task Create trading goods materials master records in the system. **Time** 30 min

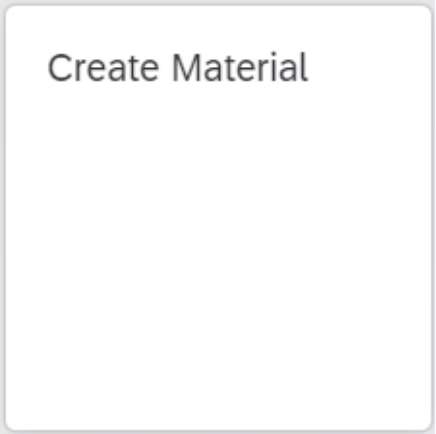
Motivation

In this task, you create your *trading goods*. Trading goods are movable goods intended for commercial exchange. Examples of trading goods are market goods, consumption goods, and durable goods. Trading goods are always bought and re-sold by your company. The material master record for trading goods therefore always contains purchasing data and sales data.

Trading goods are managed in the system using the key HAWA. In this task, you create your own trading goods by copying necessary material master data from existing trading goods. Original materials do not include identifiers. For example, EPAD1000 is the original Elbow Pad. Your materials will include your identifier (example, EPAD10##). Be sure you "Copy from" the ORIGINAL.

Fiori App

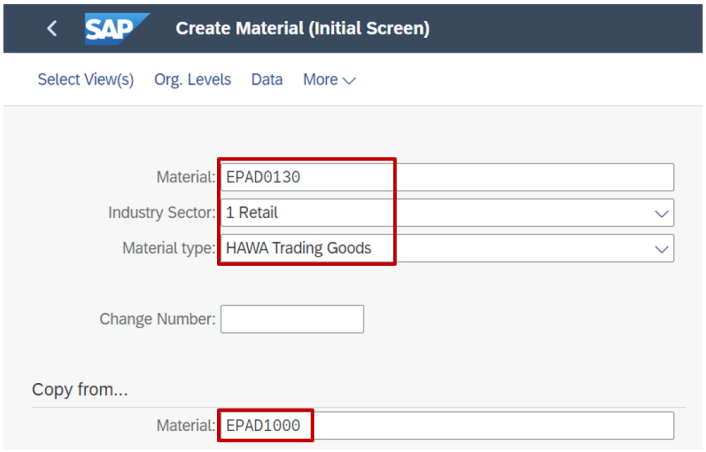
To create the trading goods, use the *Create Material* app in the *Quality Management* area in the *Warehouse Supervisor* role.



In the *Create Material (Initial Screen)* screen, enter the following information:

Attribute	Data value
Material	*EPAD01##*
Industry sector	*Retail*
Material type	*HAWA Trading Goods*
Copy from…Material	*EPAD1000*

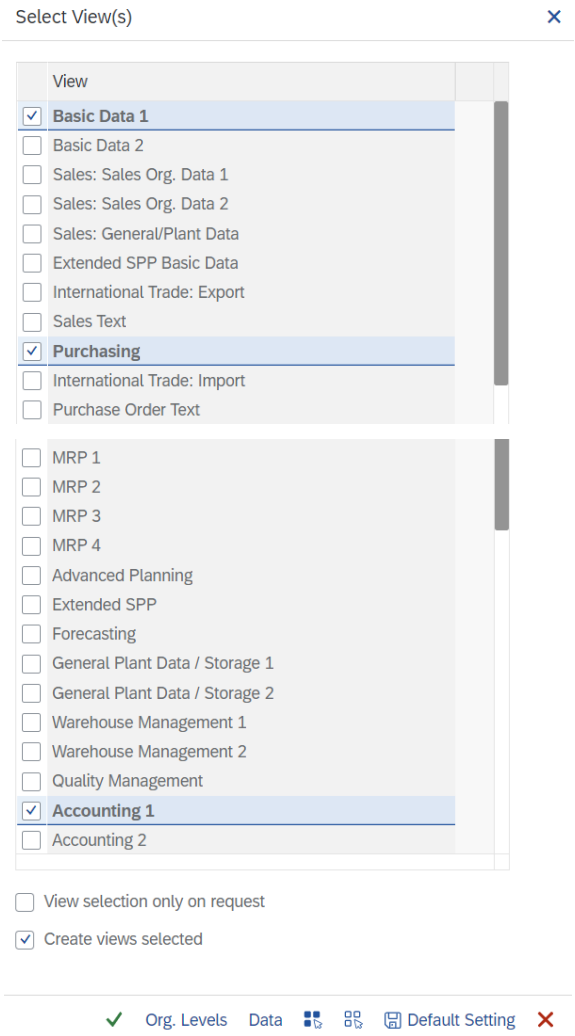
EPAD10##
Retail
HAWA Trading Goods
EPAD1000



A

Click on **Continue**.

In the *Select View(s)* pop-up, highlight the *Basic Data 1*, *Purchasing and Accounting 1* rows.

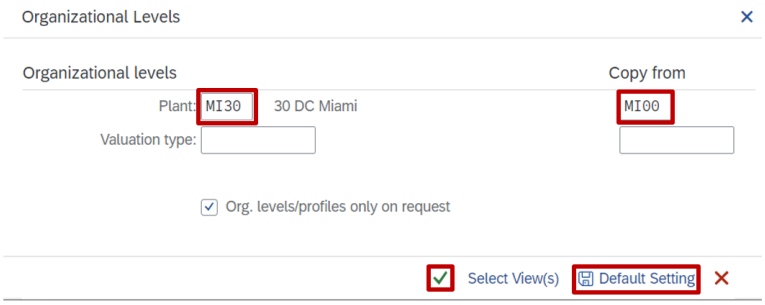


Click on Default Setting (Save as Default Values) and click on ✓.

In the *Organizational Levels* pop-up, enter the following information:

Attribute	Data value
Plant	*Your DC Miami (MI##)*
Copy from Plant	*MI00*

MI##
MI00

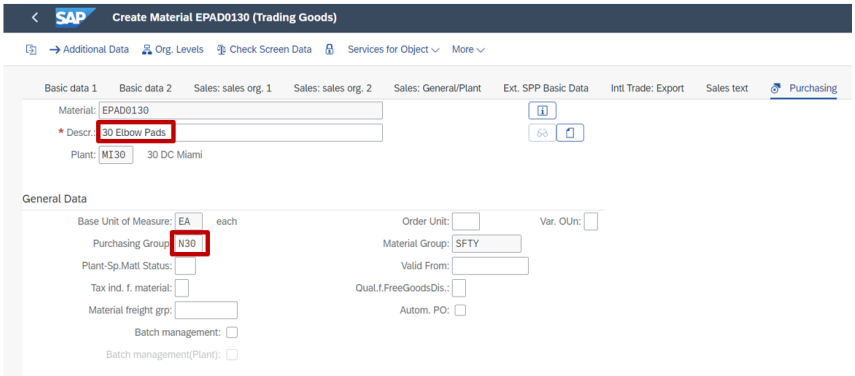


Click on Default Setting (Save as Default Values) and click on ✓.

In the *Create Material EPAD01##* screen, now switch to the Purchasing area and enter the following information:

Attribute	Data value
Material Description (Short Text)	*## Elbow Pads*
Purchasing Group	*Your North America (N##)*

Elbow Pads
N##



Click on Save. You will get a message that says Material EPAD0130 created.

See Appendix B to create the rest of the trading goods.
(RHMT01##, RKIT01##, OHMT01##, KPAD01##)

II.3.4 Create Vendor

Task Create a new vendor master record in the US. **Time** 10 min

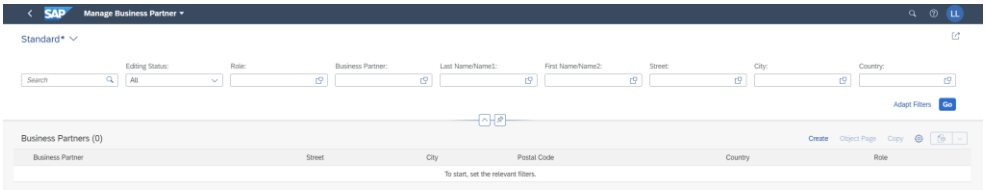
Motivation

In this task, you create *vendor* (1010##) from whom you will procure your goods. The vendor master database contains information about the vendors that supply an enterprise. This information is stored in individual vendor master records. A vendor master record contains the vendor's name and address, as well as data such as the currency used for ordering from the vendor.

Fiori App

To create a new Vendor, use the *Manage Business Partner Master Data* app in the *Materials Management* area in the *Contract Manager* role.

You will now see the following screen:



Organization

In the *Manage Business Partner* screen, select Create and than *Organization*.

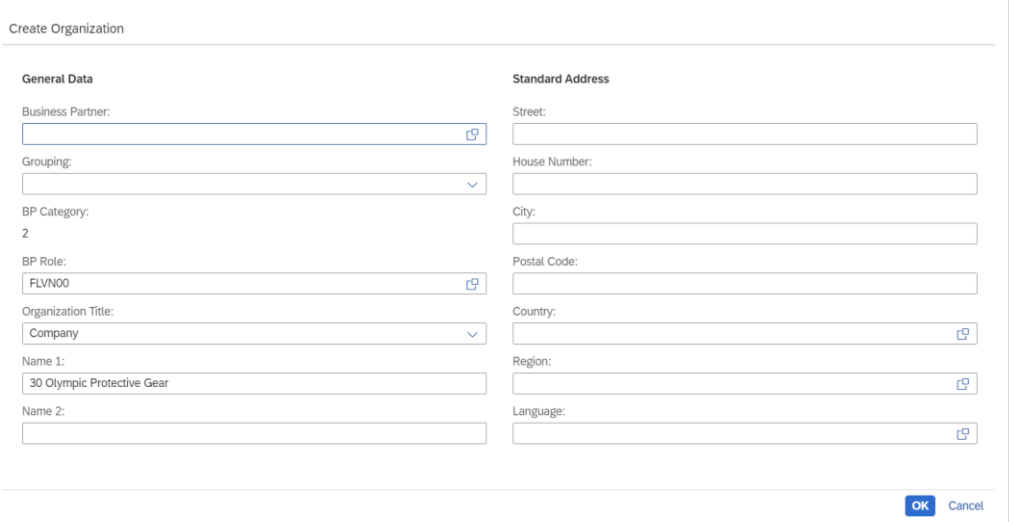
In the *Create organization* pop-up, leave the Business partner field blank. The system will generate a unique number later. Click in the BP Role field on

FLVN00

Then select in the *Select: BP Role* pop-up: *BP role* **vendor (FLVN00)**.

Company
Olympic Protective Gear

Select **Company** for the Organization Titel and enter **## Olympic Protective Gear** as the Name 1. Compare your entries with the screenshot below.

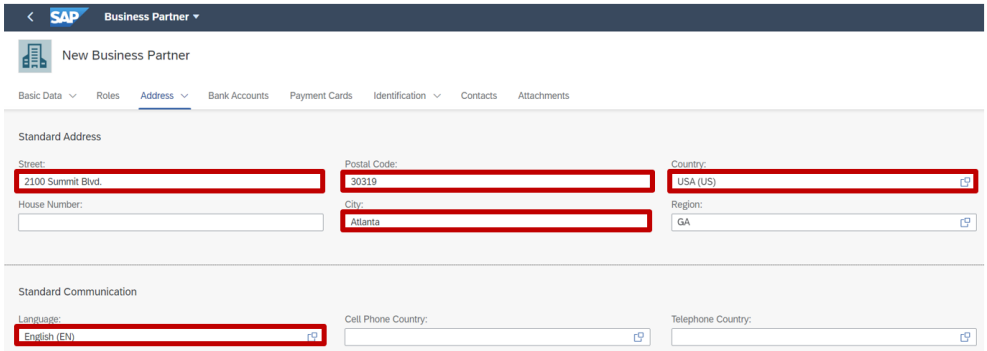


Click on **OK**.

In the *Business Partner* screen, enter your three-digit number (0##) as *search term 1* in the *Basic Data* area.

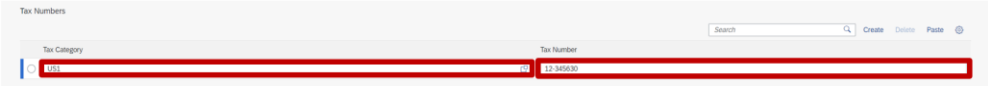
Go to the *Address* section and enter **2100 Summit Blvd**. in the *Street* field, **30319** in the *Postal Code* field, and **Atlanta** as the *City*. Continue to select **USA (US)** as the *country* and **GA** as the *region*. Under *Standard Communication*, select **English (EN)** as the *language*. Compare your entries with the following screenshot.

2100 Summit Blvd
30319
Atlanta
US
GA
EN



Switch to the *Identification* section and click on **Create** in the *Tax numbers* section. Enter **US1** for *Tax Category* and **12-3456##** for the *Tax number*, replace ## with your number

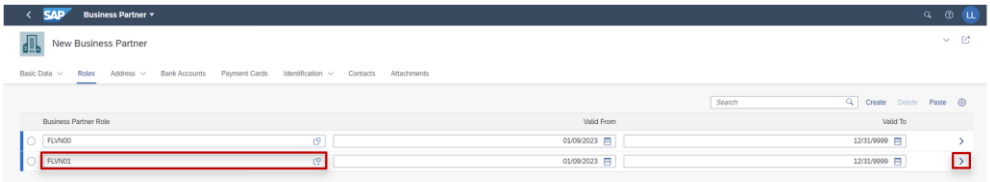
US1
12-3456##



Switch back to the Roles section and click on **Create**. Enter **Vendor (FLVN01)** as the *business partner role*

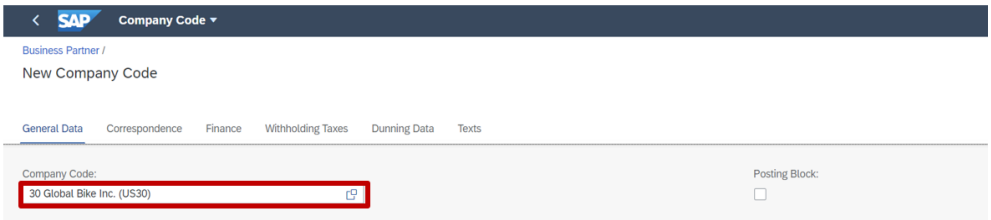
FLVN01

Click on > in the row of the new business partner role you just created.

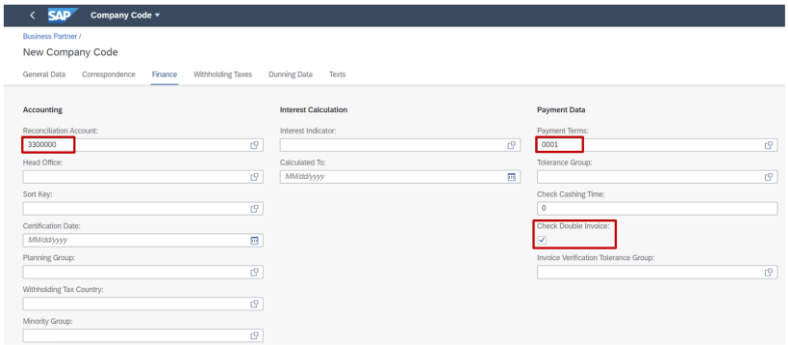


Now you can maintain company code specific data for your business partner in the role of Vendor. Switch to the Company Codes area and click on Create

On the *Company Code* screen, enter **US##** in the *Company Code field*. Select the value in the selection help that appears automatically. Confirm with Enter.



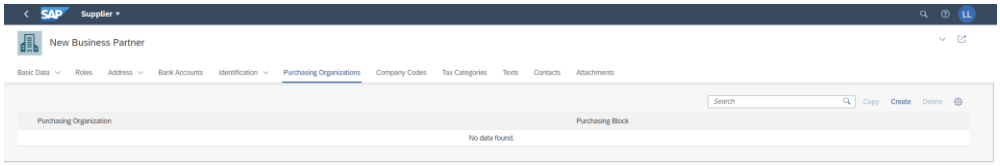
Switch to the *Finance section* and enter **3300000 (Trade payables)** for *Reconciliation account*. In the *Payment Data section*, enter **0001** for *Payment terms* and select **Check Double Invoice**. Compare your entries with the screenshot below.



Now switch to the *Correspondence section*. Enter **your name** as the *clerk ID at supplier* and then click on Apply.

Your name

Back on the *Supplier screen*, switch to the *Purchasing Organizations section* to add purchasing-specific data to your ## Olympic Protective Gear business partner.



Click on Create. In the *Purchasing Organization* screen, enter **US##** for the *Purchasing Organization field*.

US##

In the *Purchasing Organizations section*, enter **USD** as the *order currency* and use the F4 help to find the *payment term* **Payable immediately Due net (0001)**.

USD
Payable immediately
Due net (0001)

Navigate to the *Partner Functions section*. Click on Create and enter the partner function **LF** for supplier and press Enter.

LF

Click to Apply to transfer their purchasing-specific data for their business partner.

Then click on Apply and then click on Create. The system will automatically assign a unique number to your supplier.

LF

Click on the Home icon SAP to go to the Fiori Launchpad overview.

Phase II.4 – Process Execution

Task Execute an end-to-end procurement process in the SAP system. **Time** 50 min

Short Description Test your system configuration by creating purchasing transactional data.

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Scenario setting

After organizational data (enterprise structure & process configuration) and master data have been implemented in S/4HANA, it is time to test the system by creating transactional data.

Project structure

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II.4.1 Create Purchase Requisition

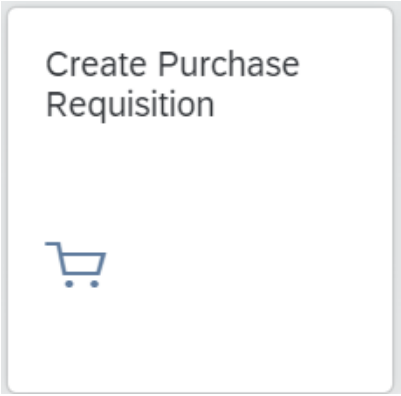
Task Create a purchase requisition in the newly configured system. **Time** 10 min

Motivation

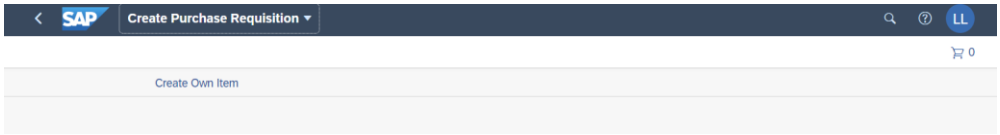
In this task, you create a *purchase requisition* in your new procurement process configuration. A purchase requisition is a request to procure a certain quantity of a material or a service so that it is available at a certain point in time. A purchase requisition consists of a number of items, for each of which a procurement type is defined. Some procurement types are standard, subcontracting, consignment, stock transfer, or external service. In this task, the purchase requisition is created for internal purposes only. It is recommended that you keep several windows opened.

Fiori App

To create a purchase requisition, use the *Create Purchase Requisition* app in the *Materials Management* area in the *Inventory Supervisor* role.



You should now see the following screen.

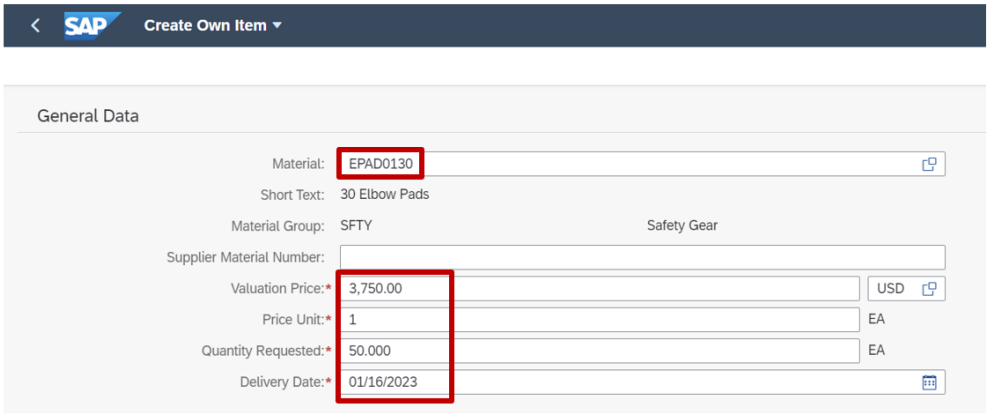


Click on Create Own Item.

EPAD01##
37,50 USD
1
50
One week from today

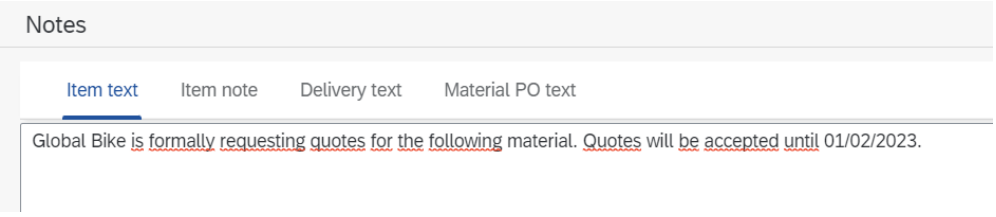
Enter the *material* **EPAD01##** (## - replace with your number), as the *valuation price* **37.50 USD**, as the *price unit* **1** and as the *Quantity Requested* **50**. For the *delivery date*, select **one week from today**.

Note Quantity Reguested is displayed with three decimal places. Your 50 is therefore displayed as 50,000.

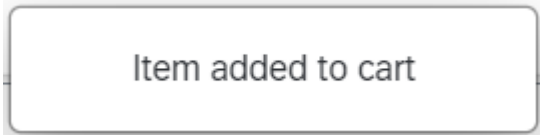


At the very end, in the *Notes* section of the *Item text* tab, enter the following message:

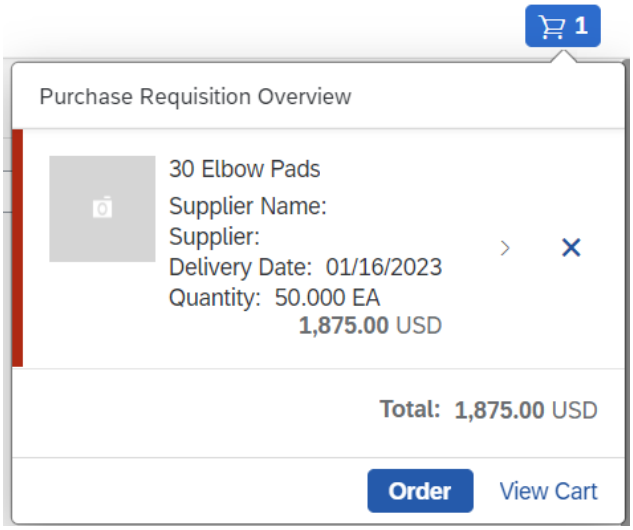
"Global Bike is formally requesting quotes for the following material. Quotes will be accepted until [01st day of next month]."



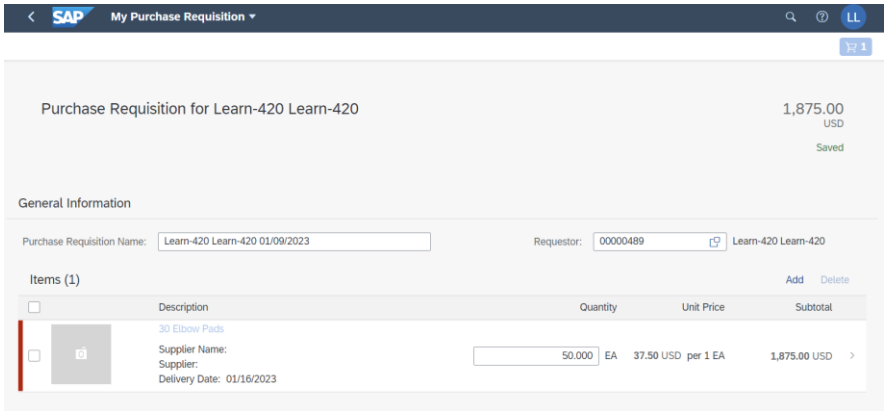
Click on **Add to Cart**. You will get the following message:



In the upper right corner, you will see the position in the shopping cart.

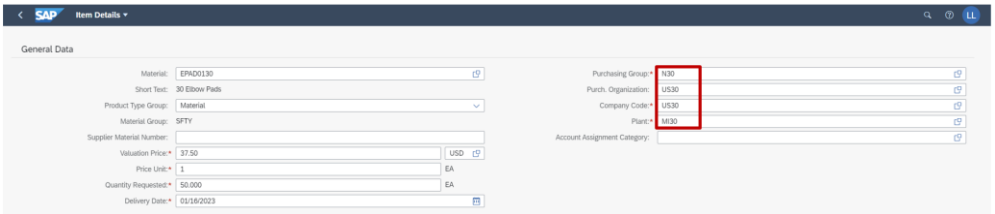


Click on View Cart to view your purchase requisition.



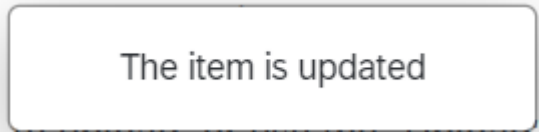
In the *Items* area, click on the line of their elbow pad to add some details. On the *Item Details* screen, enter **N##** as the *purchasing group*, **US##** as the *purchasing organization*, **US##** as the *company code*, and **MI##** as the *plant*.

N##
US##
US##
MI##



Click on **Save**.

You will get the following message:



Click twice on < to go back to the *Create own Item* screen and repeat the steps for the following materials:

Attribute	Data Value
Material	*Your Knee Pads (KPAD01##)*
Valuation Price	*37.5 USD*
Quantity Requested	*50*
Delivery Date	*One week from today*
Purchasing Group	*N##*
Purch. Organization	*US##*
Company Code	*US##*
Plant	*MI##*

KPAD01##
37.5 USD
50
One week from today
N##
US##
US##
MI##

Attribute	Data value
Material	*Your Road Helmet (RHMT01##)*
Valuation Price	*25 USD*
Quantity Requested	50
Delivery Date	*One week from today*
Purchasing Group	*N##*
Purch. Organization	*US##*
Company Code	*US##*
Plant	*MI##*

RHMT01##
37.5 USD
50
One week from today
N##
US##
US##
MI##

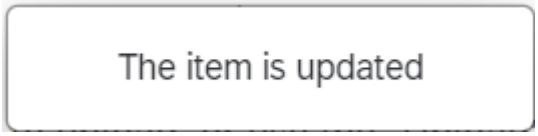
Attribute	Data value
Material	*Your Brake Kit (RKIT01##)*
Valuation Price	*16 USD*
Quantity Requested	*50*
Delivery Date	*One week from today*
Purchasing Group	*N##*
Purch. Organization	*US##*
Company Code	*US##*
Plant	*MI##*

RKIT01##
16 USD
50
One week from today
N##
US##
US##
MI##

Attribute	Data value
Material	*Your Off Road Helmet (OHMT01##)*
Valuation Price	*25 USD*
Quantity Requested	*50*
Delivery Date	*One week from today*
Purchasing Group	*N##*
Purch. Organization	*US##*
Company Code	*US##*
Plant	*MI##*

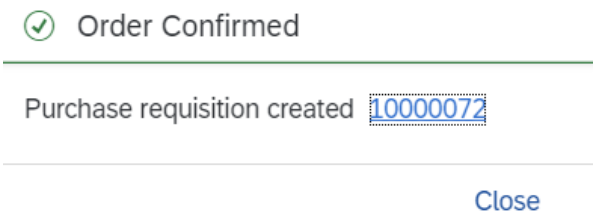
OHMT01##
16 USD
50
One week from today
N##
US##
US##
MI##

Click on **Save**.



Click on and then select Order to confirm the request.

The system creates its own document number.



Remember your order number for the next step

Close the message and then click SAP to go to the SAP Fiori Launchpad.

II.4.2 Create Purchase Order

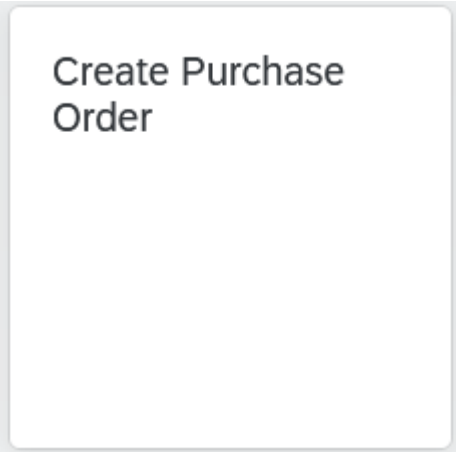
Task Create a purchase order referencing to a purchasing requisition. **Time** 10 min

In this task, you create a purchase order from the purchase requisition and send it to the vendor. A purchase order is document issued by a buyer to a seller, indicating types, quantities, and agreed prices for products or services the seller will provide to the buyer. A purchase request is a precise document generated to notify the purchasing department of items it needs to order.

Motivation

To create a purchase order, use the Create Purchase Order app in the Materials Management area in the Purchasing Agent role.

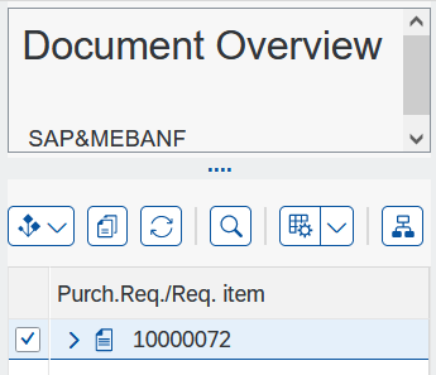
Fiori App



1. In the *Create Purchase Order* screen, click on the Document Overview On icon.
2. Click on (Selection Variant) and select *Purchase Requisitions*.
3. In the *Purchase Requisitions* screen, delete all contents from the fields. In the Plant field, enter **MI##**.
4. Click on Execute.
5. In the *Create Purchase Order* screen click on your purchase requisition number and click on (Adopt).

Purchase Requisitions

MI##



6. Enter the following information:

Attribute	Data value
Supplier	*Your Supplier (## Olympic Protective Gear)*

7. Enter the following information in the *Item Overview* Item Overview :

Attribute	PO Quantity	Net Price	Stor. Location
Your Elbow Pads (EPAD01##)	50	37.5	*TG##*
Your Knee Pads (KPAD01##)	50	37.5	*TG##*
Your Road Helmet (RHMT01##)	50	25	*TG##*
Your Off-Road Helmet (OHMT01##)	50	25	*TG##*
Your Repair Kit (RKIT01##)	50	16	*TG##*

8. Click on Save.

9. Ignore any notes regarding the delivery date.

10. You will receive a message that says:

Standard PO created under the number 4500000021

Remember your order number for the next step

11. Click on Exit to return to the Fiori Launchpad.

II.4.3 Create Goods Receipt

Task Create a goods receipt after verifying an incoming shipment. **Time** 5 min

Motivation

In this task, you verify that you received the correct shipment via the purchase order. Using the purchase order created in the previous task you will be able to view information such as the inventory received from the vendor as well as the vendor balance. After successful goods receipt verification the system creates a G *material document* which records the goods movement. Parallel to this material document, the system creates a related G *accounting document* recording the posting line items for G/L accounts (here: debit G *material account* and credit G *GR/IR clearing account*) by the value of the goods receipt.

Fiori App

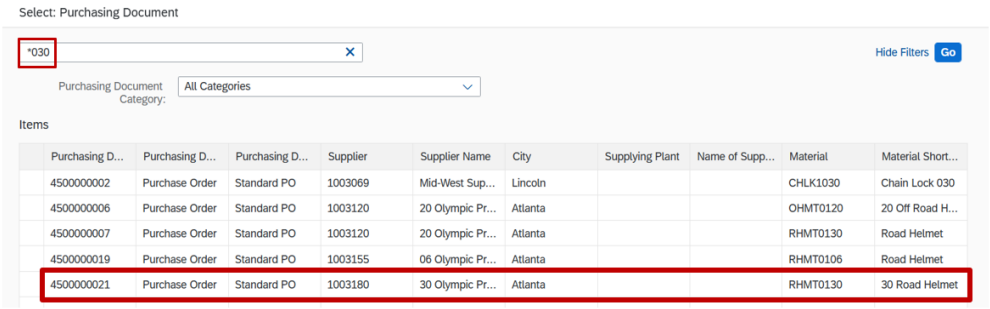
To create goods receipt, use the Post Goods Receipt for Purchasing Document app in the Materials Management area in the Goods Receipt Clerk role.

The *Post Goods Receipt for Purchasing Document* screen appears.

Choose the F4 help in the *Purchasing document* field.

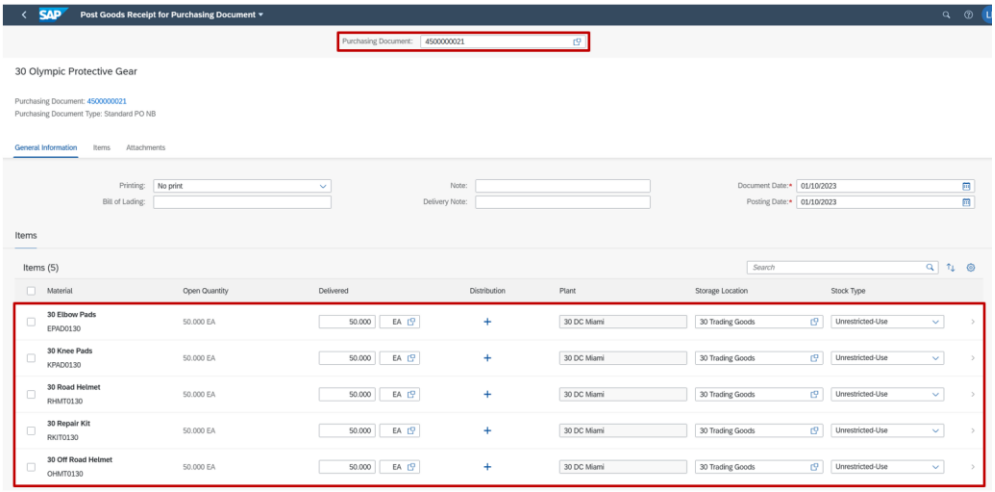
*0##

Enter your number *0## and click on Go. *In the Select: Purchasing Document* pop-up please search for your Purchasing Document.



Purchasing D...	Purchasing D...	Purchasing D...	Supplier	Supplier Name	City	Supplying Plant	Name of Supp...	Material	Material Short...
4500000002	Purchase Order	Standard PO	1003069	Mid-West Sup...	Lincoln			CHLK1030	Chain Lock 030
4500000006	Purchase Order	Standard PO	1003120	20 Olympic Pr...	Atlanta			OHMT0120	20 Off Road H...
4500000007	Purchase Order	Standard PO	1003120	20 Olympic Pr...	Atlanta			RHMT0130	Road Helmet
4500000019	Purchase Order	Standard PO	1003155	06 Olympic Pr...	Atlanta			RHMT0106	Road Helmet
4500000021	Purchase Order	Standard PO	1003180	30 Olympic Pr...	Atlanta			RHMT0130	30 Road Helmet

Select the Purchasing Document with a double click. The following screen is displayed. In the Items tab, the positions of the order are listed.



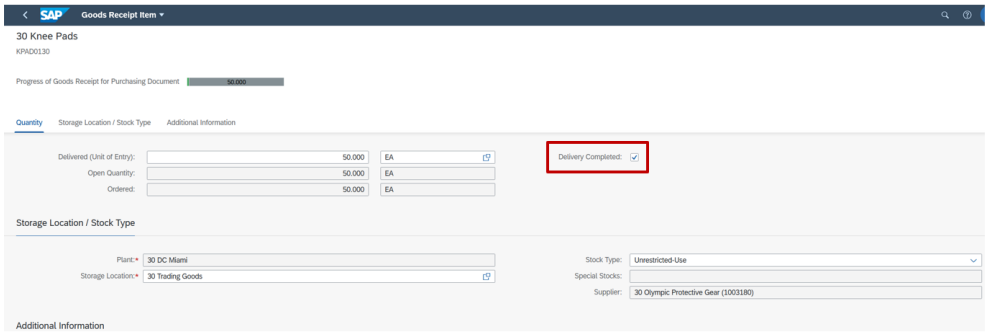
Make sure that the storage location **TG## (## Trading Goods)** and the stock type **Unrestricted-Use** are maintained in all items.

TG##
Unrestricted-Use

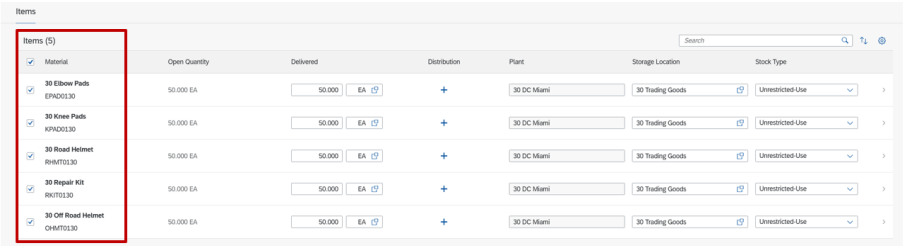
Click on the position line of your *knee pads* to check the entries.

Select the checkbox for **Delivery Completed**.

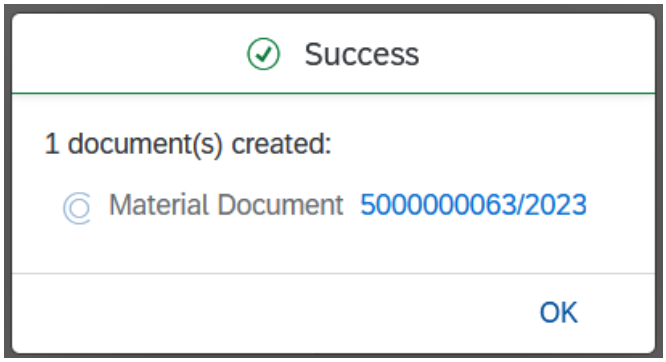
Delivery Completed



Now click on Apply and repeat the step for all positions. Make sure that all lines are selected and click on Post.



You will receive the following message, with your material document number.



Close the message and click on SAP to go to the SAP Fiori Launchpad.

II.4.4 Receive Invoice

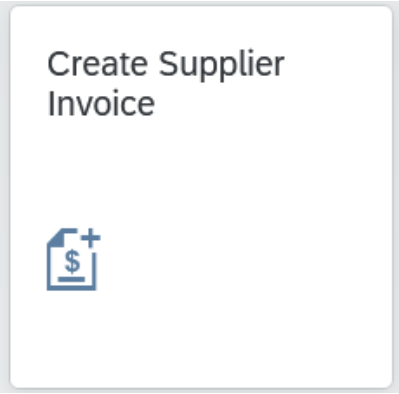
Task Create a vendor invoice for the shipment in the previous task. **Time** 10 min

Motivation

In this task, you receive the bill from your vendor. The logistics invoice verification verifies incoming invoices in terms of their content, prices, and arithmetic. The system then updates the data saved in the invoice document in materials management and financial accounting. A G *vendor invoice* is a bill received from the vendor whom you have purchased goods/services. In contrast, a G *customer invoice* is a bill sent to the company who has purchased goods/services from your company. In this task, you receive the bill from your vendor.

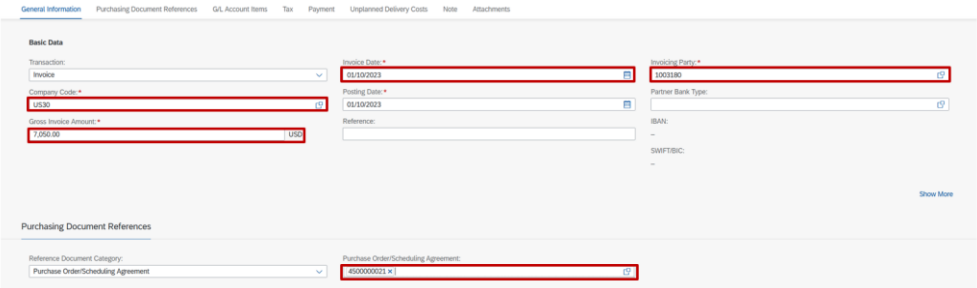
Fiori App

To create a vendor invoice, use the Create Supplier Invoice app in the AP Accountant role in the Materials Management tab.



today's date
US##
7,050.00
Olympic Protection Gear
Purchase order number

In the *Create Supplier Invoice* screen, enter **today's date** as the *invoice date* by pressing F4 and then Enter. Verify that the *company code* **US##** is selected. In the *Gross Invoice Amount* field, enter the amount of the above invoice **(7,050.00).** Enter your vendor number **(## Olympic Protection Gear)** as the *invoicing party*. Now enter your **purchase order number** as the *Purchase Order/Scheduling Agreement*. The Invoicing Party field has now been automatically populated with your vendor number.

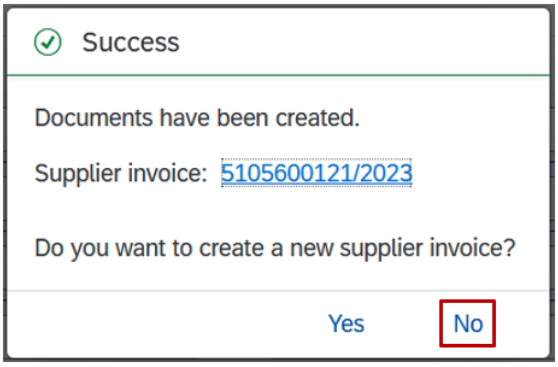


In the Invoice Items tab, review the following information:

Invoice Item	Short Text	Amount	Quantity
1	Elbow Pads	1.875,00	50
2	Knee Pads	1.875,00	50
3	Road Helmet	1250,00	50
4	Off Road Helmet	1.250,00	50
5	Repair Kit	800,00	50

Then click on Simulate to check if your entries are correct.

Finally, click on Post. The system will generate a unique supplier invoice number.



Click on NO to go to the SAP Fiori Launchpad.

II.4.5 Pay Vendor

Task Post a payment to your vendor. **Time** 10 min

In this task, you post the *vendor payment* according to the invoice you have received from your vendor. An outgoing payment in financial accounting documents that the vendor is being paid for one/more (partial) of all (full payment) line items.

Motivation

To post payment to a vendor, use the Post Outgoing Payments app in the Materials Management area in the AP Accountant role.

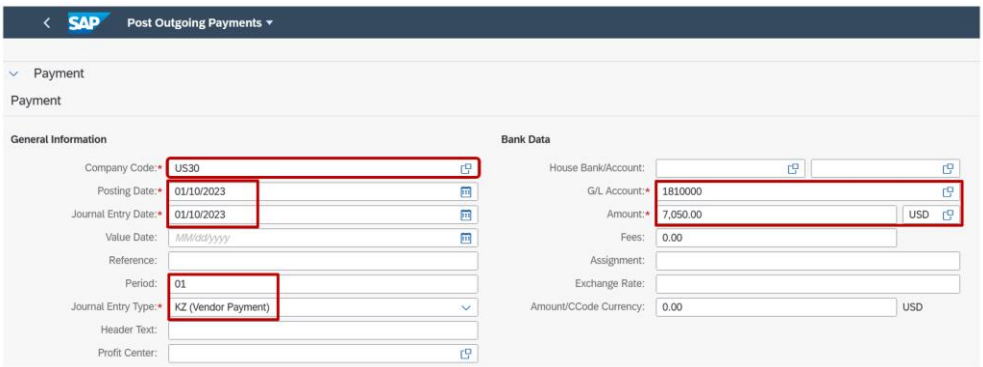
Fiori App

In the *Post Outgoing Payments* screen, select ## Global Bike Inc **(US##)** as the *Company Code*, for *Posting Date* and *Journal Entry Date*, select the **current date**, and for *Period*, select the **current period**. For *G/L account*, enter **1810000** (Bank 1) and the *amount* **7050 USD**.

US##
Current date
Current period
1810000
7050 USD

Make sure that the *Journal Entry Type* **KZ (vendor payment)** is selected. Check your entries using the following screenshot.

KZ



Under *Open Item Selection*, enter your vendor number for **## Olympic Protective Gear** (use F4 Help if necessary) as the Account.

Olympic Protective Gear

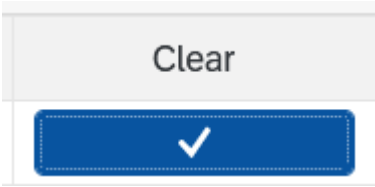
Click on Show Items.

At the top right you can see that the open balance is 7,050.00 USD.

Balance: 7,050.00 USD

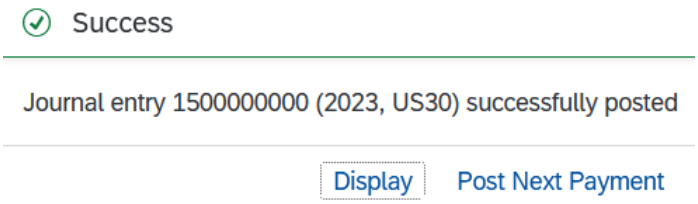
Click on Clear » to pay the invoice.

Note the confirmation that the open items are cleared.



The open balance is now 0.00 USD. Balance: 0.00 USD

Click on Post to post your payments to ## Olympic Protective Gear. The system will assign a unique voucher number to your vendor payment.



With Display you can view, edit or cancel the booking you have made.

Click on SAP to go to the SAP Fiori Launchpad.