

SAP MM

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Overview of SAP, MM, and Procurement Process

Overview of SAP

- SAP Overview
 - SAP R/3 Basics
 - Business Framework Architecture
- SAP MM Overview
 - Organization Structure of an Enterprise
 - Procurement Process
 - Purchase Order
 - Goods Receipt
 - Invoice Verification
 - Purchase Requisition

Procurement Process in SAP MM

The role of the MM purchasing component is procurement of materials and services, determination of possible sources of supply for a requirement identified by the materials planning and control system or arising directly within a user department and monitoring of deliveries from vendors and payments to vendors.

- Master Data
 - Materials Master
 - Vendor Master

Purchasing and Inventory Management

- Purchasing
 - Purchase Info Record
 - Purchase Order (PO)
 - Purchase Requisition (PR)
 - Request for Quotations (RFQ)
- Special Stocks and Special Procurement Types
 - Stock Item Orders
 - Non-Stock/Consumable Item Orders
 - One Time Materials
 - Service Orders, Service Entry Sheet
 - Subcontracting Orders
- Source Determination
 - Source List
 - Source Determination
- Release Procedures for Purchasing Documents (with classification)
 - Creation of Characteristics
 - Creation of Class
 - Release Groups, Code, Indicator, Pre-requisites
 - Release Strategies

Inventory management

Inventory Management manages stocks in an organization. The stocks are managed not only on a quantity basis but also by value depending on the valuation area.

Stocks are either received or issued from inventory and are governed by Movement Type. The receipt and issue of goods can be either internal to an organization or external to an organization.

- Goods Receipt
- Goods Issue
- Transfer Posting
- Reservation
- Physical Inventory

Invoicing, Valuation, and Accounting Assignment

SAP MM - Invoicing

Logistics Invoice Verification is situated at the end of the logistics supply chain process that includes Purchasing,

Inventory Management, and Invoice Verification. It is in Logistics Invoice Verification that incoming invoices are verified and posted. When the invoice is posted, the invoice data saved updates the data saved in the invoice documents in Materials Management and Financial Accounting.

- Invoice Posting
- Variances and Blocking Reasons
- Release Blocked Invoices
- Automatic Settlements - Evaluated Receipt Settlement (ERS)

Valuation and Account Assignment

The materials valuation and the link between Materials Management and Financial Accounting is established via Account Assignment.

- Materials Price Change
- Materials Valuation Type
- Configure Automatic Account Determination

MRP, Reporting, and Configuration

Materials Requirements Planning (MRP)

The role of MRP is to monitor stocks and in particular, to automatically create procurement proposals for purchasing and production (planned orders, purchase requisitions or delivery schedules). This is based on past consumption values and uses the forecast or other procedures to determine the future requirement. Consumption based planning procedures do not refer to the master production schedule, rather it is initiated when stock levels fall below predefined re-order point.

- Planning Requirements
- Over All Procedures
- Planning Run

Reporting in SAP MM

- Reporting at Document Level
- Reporting with the Logistics Information System

Configuration

- Enterprise Structure
 - Creation of Organizational Levels
 - Plants
 - Storage Locations
 - Purchasing Organization
 - Purchasing Group
 - Assignment of Relationship between Organizational Levels
 - Assignment of Plant to Company Code
 - Assignment of Purchasing Organization to Plant

Materials Master, Integration of MM Various Modules

SAP Controlling Training - Overhead Cost Order/Internal Order

- Materials Master
 - Materials Type
 - Materials Group
 - Storage Conditions
- Purchase Requisition
 - Number Range
 - Document Type
 - Field Selection
 - Text Types

Integration of MM with Various Modules

- Overview of integration of SAP MM with other modules SAP FICO, SAP SD and PP.