Welcome to the PMI Houston Conference & Expo and Annual Job Fair 2015

- Please put your phone on silent mode
- Q&A will be taken at the close of this presentation
- There will be time at the end of this presentation for you to take a few moments to complete the session survey. We value your feedback which allows us to improve this annual event.
ERP Exchange, LLC

Agenda

• SAP Introduction & Business Benefits
• SAP Conceptual Areas
• SAP Modules Overview
  – Industry Solutions
  – Accounting & Logistics
• SAP Process Flows
  – Order to Cash
  – Plan to Produce
  – Procure to Pay
  – Hire to Manage
• SAP ASAP Methodology
• SAP Solution Manager
Before SAP

- Purchasing
- Accounts Payable
- Inventory Control
- Finance
After SAP

LOGISTICS
“Wing”

FINANCE
“Wing”

Purchasing

Inventory Control

Accounting

Accounts Payable
Business Benefits

• Improve alignment of strategies and operations
  – Enterprise in accordance with strategy and plans, accessing the right information in real time to identify concerns early.
  – Pursue opportunities proactively.
  – Achieve corporate objectives by aligning workforce and organizational objectives.
  – Find the best people and leverage their talent in the right job at the right time.

• Improve productivity and insight
  – Leverage self-services and analytics across the organization.
  – Improve operational efficiency and productivity within and beyond the enterprise.
Business Benefits

• Reduce costs through increased flexibility
  – Use enterprise services architecture to improve process standardization, efficiency, and adaptability.
  – Extend transactions, information, and collaboration functions to a broad business community.

• Optimize IT spending
  – Integrate and optimize business processes.
  – Eliminate high integration costs and the need to purchase third-party software.
  – Deploy other SAP Business Suite applications incrementally to improve business processes
Business Benefits

• Improve financial management and corporate governance
  – Gain deep visibility into the organization with financial and management accounting functionality combined with business analytics.
  – Increase profitability, improve financial control, and manage risk.
• Provide immediate access to enterprise information
  – Give employees new ways to access the enterprise information required for their daily activities.
• Support changing industry requirements
  – Take advantage of the SAP newest functionality to integrate end-to-end processes seamlessly.
Conceptual Areas

• The SAP system is also broken out into three different areas
  - Application
    ▪ Functional
    ▪ Execution of SAP Transactions
  - Basis
    ▪ System Administration
    ▪ Security/Authorizations
  - Development
    ▪ Technical
    ▪ ABAP/4 Programming
SAP Module Overview

NetWeaver
- Enterprise Portal
- Master Data Management
- Business Intelligence / Business Objects
- Exchange Infrastructure / Process Integration (XI/PI)
- Mobile Business Applications
- Web Application Server Technologies

Simplified/Smart Business Solutions
- SAP Business One
- SAP Business By Design
- SAP All in One
- SAP Edge Solutions

Enterprise Core Components
- SD
- CS
- EHS
- QM
- MM
- PP
- QM
- LE
- PM
- HR
- IS
- WF
- FI
- CO
- PS

In-Memory
- HANA Applications
- Data Warehousing
- Data Management
- In-Memory Platform

Business Suite
- Enterprise Core Component (ECC)
- CRM, Customer Relational Management
- SCM, Supply Chain Management
- PLM, Product Lifecycle Management
- SRM, Supplier Relationship Management
- Analytics, Business Objects
- HCM, Human Capital Management
Industry Solutions

- Financial and Public Services

- Manufacturing
  - Aerospace & Defense, Automotive, Chemicals, Consumer Products, Industrial Machinery & Components, Engineering Construction and Operations, High Tech, Life Sciences, Mill Products, Mining, Oil and Gas

- Service
  - Sports and Entertainment, Media, Retail, Professional Services, Telecommunications, Travel and Transportation, Utilities, Wholesale Distribution
Accounting

This organizational area contains the following modules:

- **Financial Accounting**
- Financial Supply Chain Management
- **Controlling**
  - Enterprise Controlling
  - Strategic Enterprise Management
- Investment Management
- Project System
- Real Estate Management
- Public Sector Management
- Bank Management

*The Modules to be discussed are highlighted*
Financial Accounting

- The FI module is primarily responsible for External Financial reporting. This module contains receivables, payables, and taxes.

- Key Components of the FI application module include:
  - General Ledger Accounting (FI-GL)
  - Special Ledger (FI-SL)
  - Accounts Payable (FI-AP)
  - Accounts Receivable (FI-AR)
  - Asset Accounting (FI-AA)
  - Bank Accounting
  - Funds Management (FI-FM)
  - Travel Management (FI-TM)
  - New GL Ledger
Controlling

• The functionality in this area represents the flow of cost and revenues.

• Key Components of the CO application module include:
  - Overhead Cost Controlling (CO–OM)
    - Cost Center Accounting
    - Cost Element Accounting
    - Internal Order Accounting
  - Activity Based Coding (CO–ABC)
  - Product Cost Controlling (CO–PC)
  - Profitability Analysis (CO–PA)
  - Material Ledger (CO–ML)
Logistics

This organizational area contains the following modules:

• **Materials Management**
• **Sales & Distribution**
• **Logistics Execution**
• **Production**
  • Production - Process
• **Plant Maintenance**
• **Customer Service**
• **Quality Management**
• **Logistics Controlling**
• **Project System**
• **Environment, Health & Safety**

*The Modules to be discussed are highlighted*
Materials Management

Purchasing
- Purchase Requisitions
  - MRP
  - Manual Requisition
  - Release Procedures
- RFQ Quotations
  - Material or Services
  - Price Lists
  - Purchasing
  - Purchase Orders
  - Outline Agreements
  - Scheduling Agreements

Inventory Management
- Goods Receipts & Goods Issues
- Transfer Postings
- Quantities and values
- Physical Inventory / Cycle Counting

Invoice Verification
- Check and Post
- Price Update
Production Planning

Production Planning Organizational Units

Master Planning

Sales & Operation Planning → Demand Management → Long-Term Planning

Material Requirement Planning → Capacity Planning → Production Orders

Engineering Change Management

Production Planning Master Data

Discrete Manufacturing / Production Execution
Plant Maintenance

- Equipment / Functional Location
- Cost Center
- Maintenance Work Center
- Bill of Material
- Tasks Lists
- Maintenance Strategies
- Maintenance Notification
- Maintenance Plans
- Material Reservation
- Maintenance Order
- Purchase Requisition
- Material Issues
- Capacity
- Purchase Order
- Confirmation
- Goods Receipt

Master Data
Planning
Order Processing
Quality Management

- The functionality in this area is used for Quality planning, Inspection, control, costing, and procurement.

- Key Components of the QM application module include:
  - Quality planning
  - Quality during procurement, production, distribution
  - Quality Management Information - Quality inspection
  - Information System (QMIS)
Human Resources

This organizational area contains the following modules:

- Recruitment
- Payroll & Time management
- Travel Expense accounting & Benefits
- Workforce planning & Training administration
- Organization management
Sales Order Process

Order to Cash

- **Pre-Sales Activities**
  - Process customer inquiries
  - Send Quotations

- **Sales Order Process**
  - Enter sales orders

- **Raw Matl Sourcing**
  - Determine the supplier of the goods

- **Customer Payment**
  - Post incoming payments in FI

- **Billing**
  - Bill outbound delivery
  - Create invoice

- **Delivery**
  - Create delivery document
Material Planning and Production Process

Plan to Produce

Sales Forecast / Planned Independent Rqmts
Consumption based Forecast
Sales Orders

Run master production scheduling for critical parts

Run material requirements planning

MRP creates planned orders for shortages in supply

PRODUCTION PLAN
Create production plan based on planning results

MATERIAL STAGING
Pick components

PRODUCTION CONFIRMATION
Enter amount produced
Place produced material in inventory
Consume components

FINISHED GOOD DEMAND

MPS

Procurement Process

1. Enter Purchase Requisition
2. Release Strategies
3. Price Lists Contracts
4. Source Determination
5. Vendor Selection
6. Send Payments to Suppliers
7. 3-way Matching
8. Invoice Verification
9. Goods Receipt
10. Supplier Delivery Performance Inventory
11. Shipping Notifications Spend Reporting
12. Payment Process
13. Determine Requirements
14. Monitor Purchase Order
15. Purchase Order Processing
16. Electronic Purchase Orders
17. Goods Receipt
18. Invoice Verification
19. Purchase Order Processing
20. Electronic Purchase Orders

Procure to Pay
There are 6 stages for any SAP implementation. They are as follows:

1. Project Preparation
2. Business Blueprint
3. Realization
4. Final Preparation/Testing
5. Go Live Support
6. Operate
Project Preparation

• During the *Project Preparation* phase the team goes through initial planning and preparation for the SAP project, which includes the following activities:
  - Goal Setting - project goals and objectives
  - Implementation strategy – clarify scope & establish project organization, relevant committees and assign resources
  - Implementation Sequence
  - Team Assignment– core team, project team and consulting team
  - Sign Off
The purpose of the *Business Blueprint* is to achieve a common understanding of how the company intends to run SAP to support their business.

The result is the Business Blueprint, a detailed document of the results gathered during requirements workshops.

- Scope Document
- As Is
- To Be
- Gap Analysis
- Sign Off
Realization

• The purpose of this phase is to implement all the business process requirements based on the Business Blueprint.

• The system configuration methodology is provided in two work packages:
  - Baseline – major scope
  - Final Configuration – remaining scope
  - Sign Off
Final Preparation

• The purpose of this phase is to complete the final preparation to finalize your readiness to go live.
  - Unit Testing
  - Integration Testing
  - User Training
  - Cutover Strategy & Planning
  - Sign Off

• The Final Preparation phase also serves to resolve all critical open issues.
Go Live Support and Operate

- The purpose of the Go Live Support phase is to move from a project-oriented, pre-production environment to live production operation.
  - Production Support Strategy
  - Monitor System Transactions
  - Optimize Performance
  - Help Desk & Competency Center

- The purpose of the Operate Phase is to ensure the operability of the solution.
SAP Solution Manager

- The Solution Manager Approach includes:
  - Business Process Oriented
  - End to End functionality for continuous improvement and management of applications
  - Focal System for full life-cycle support and collaboration with SAP
  - Contains all SAP templates defining best practices for business processes, including the implementation, operation, and optimization tasks

- Solution Manager incorporates:
  - Knowledge Management
  - Test Management
  - Solution Monitoring
  - Support Desk
  - Service Delivery
  - Change Management
  - Knowledge Transfer
  - Project Management
Services Provided

- IT Strategy
- ERP Software Selection
- ERP Implementation
- ERP Staffing
- Organizational Change Management
- Project Team Training
- Process Reengineering
Contact Information

- Speaker: Alexis DeStaffany Parker
- Company: ERP Exchange, LLC
- Website: www.erpexc.com
- Phone: 832-980-8830
- E-mail: aparker@erpexc.com
- https://www.linkedin.com/pub/alexis-destaffany-parker/2a/327/2a0

Thank You