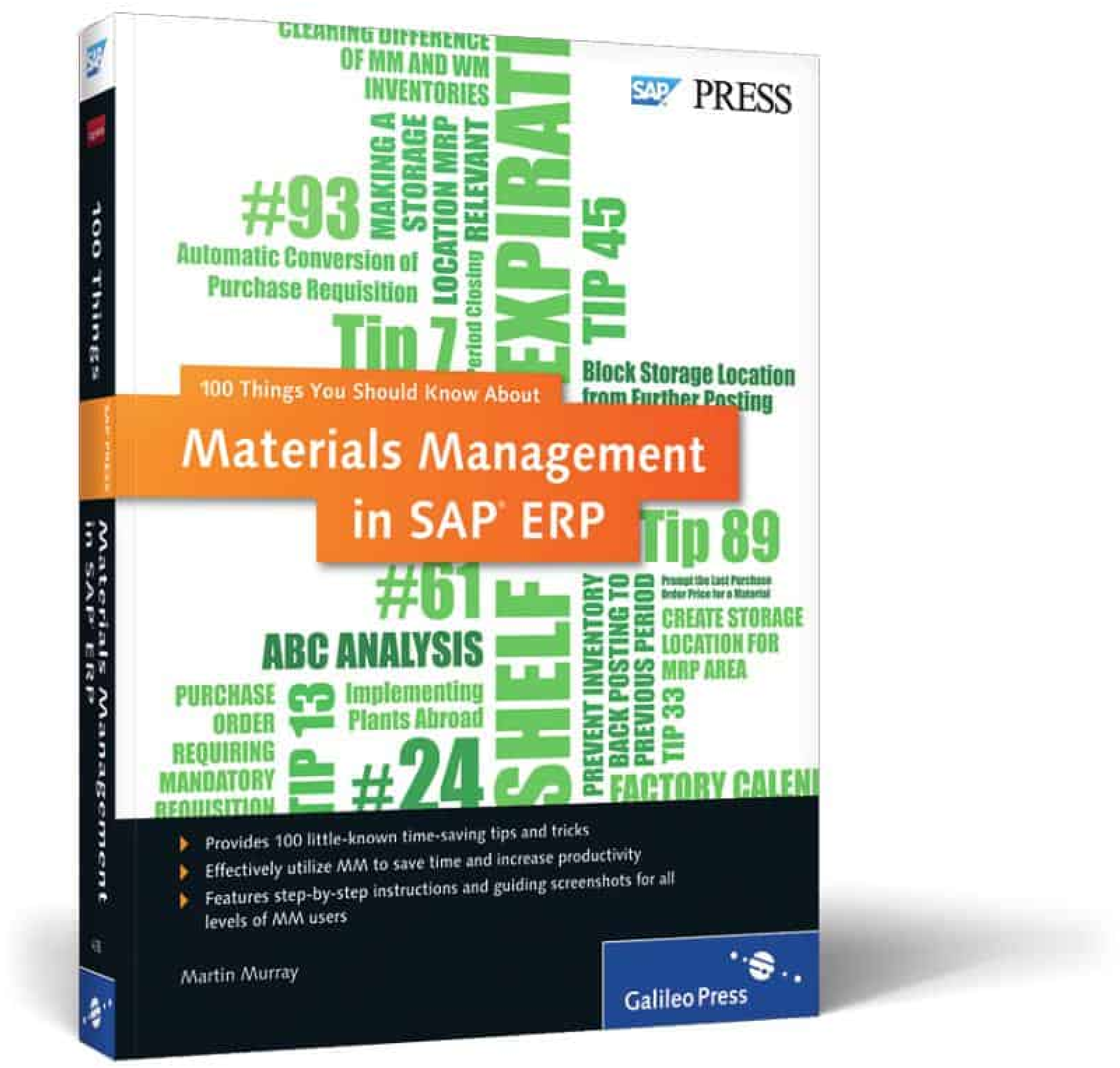
Martin Murray

100 Things You Should Know About
Materials Management in SAP® ERP



Galileo Press®

Bonn • Boston

Contents at a Glance

Contents

Introduction

This book is part of a new series of reference books based on 100 tips and tricks for various SAP software components that come directly from industry experts. It's designed to make reading and understanding SAP topics more interesting and accessible for your day-to-day work. The tips in this book have been selected to help you gain access to the expert Materials Management knowledge that would otherwise take years of experience to accumulate. Each part of this book covers a particular area of Materials Management, but each tip is standalone, so you can look through the book to find the topic you want without having to read a whole chapter.

The Materials Management component in SAP ERP, also known as the MM component, contains many aspects of SAP functionality, including purchasing, goods receiving, material storage, consumption-based planning, and inventory. It's highly integrated with other modules, such as Finance (FI), Controlling (CO), Production Planning (PP), Sales and Distribution (SD), Quality Management (QM), Plant Maintenance (PM), and Warehouse Management (WM). Many of the tips in this book show the integration between Materials Management and these different components. This will give you a greater understanding of the integration points and appreciation of the intricacies of the Materials Management component.

How to Read This Book

This book is divided into a number of parts that are each based on a topic in MM, such as Purchasing, Planning, and Inventory Management.

Let's quickly discuss the different parts of this book.

- **Part 1**, **Master Data**, provides useful tips on how to easily maintain materials and basic organization in Materials Management.
- **Part 2**, **Purchasing**, provides tips on how to perform some less-used purchasing processes, as well as vendor evaluation, inspections, and mass maintenance.
- **Part 3**, **Inventory Management**, gives you some helpful ideas on how to process Inventory Management transactions. For example, you're shown how to use negative stocks, batch processing, and early warnings.

- **Part 4**, **Planning**, focuses on the system configuration settings that determine how you're able perform successful consumption-based planning. For example, you'll learn how to perform rescheduling and backflushing, as well as a number of tips on Material Requirements Planning (MRP).
- **Part 5**, **Configuration**, describes many configuration steps you can use to modify the system in a way your client needs, such as creating new movement types or purchase order document types. In addition, there are tips for material master records and some financial integration points, such as period closing and clearing accounts.

In the appendices, you'll find a glossary of terms you'll see in this book, as well as a comprehensive list of transactions available in Materials Management in SAP.

Who This Book Is For

Each tip in this book aims to replicate a scenario in which a skilled SAP expert is by your side, demonstrating how to best and most efficiently accomplish a task. It assumes a basic knowledge of functionality in the Materials Management component on the part of the user. This book aims to be a companion to other MM reference books for consultants and users working with the MM component in an efficient, user-friendly way.

Summary

This book is meant to help you explore different MM topics that will reinforce your current knowledge or help you to develop your skills in unfamiliar areas. I hope that you find yourself using this book as a companion in your current and future MM experiences.

Now that you have an idea of what this book is about and what it covers, you can either jump ahead to a specific tip or proceed to read through part by part.

Tip 92

Excluding Materials from Being Sold to Certain Customers

Because some customers can be sold only certain materials, you can create an exclusion list for specific customers.

Usually, customers are able to purchase any of the products sold by a company; however, sometimes certain customers can purchase only a limited number of items or are barred from purchasing specific items. For customers based in certain countries, there may be restrictions on what they can purchase, either due to boycotts or items that are on the US Bureau of Industry and Security's commerce control list. In addition, some companies may exclude certain products from being sold to competitors.

Some sales departments receive thousands of orders every day, and it's important that customers aren't sold materials that they're not allowed to purchase by accident. In this tip, we'll show you how assign an exclusion directly to a material and set up the system to exclude items from being sold to specific customers.

✓ And Here's How...

To restrict materials, use Transaction VB01 or the following menu path:

SAP • Logistics • Sales and Distribution • Master Data • Products • Listing/ Exclusion • Create

On the initial screen, enter a value to create either an exclusion list or a list of materials that a customer can purchase. If you're creating a list of materials to exclude, enter the value that refers to exclusions.

Figure 1 shows the next screen, where you can enter the customer number and a list of materials to be excluded from being purchased.

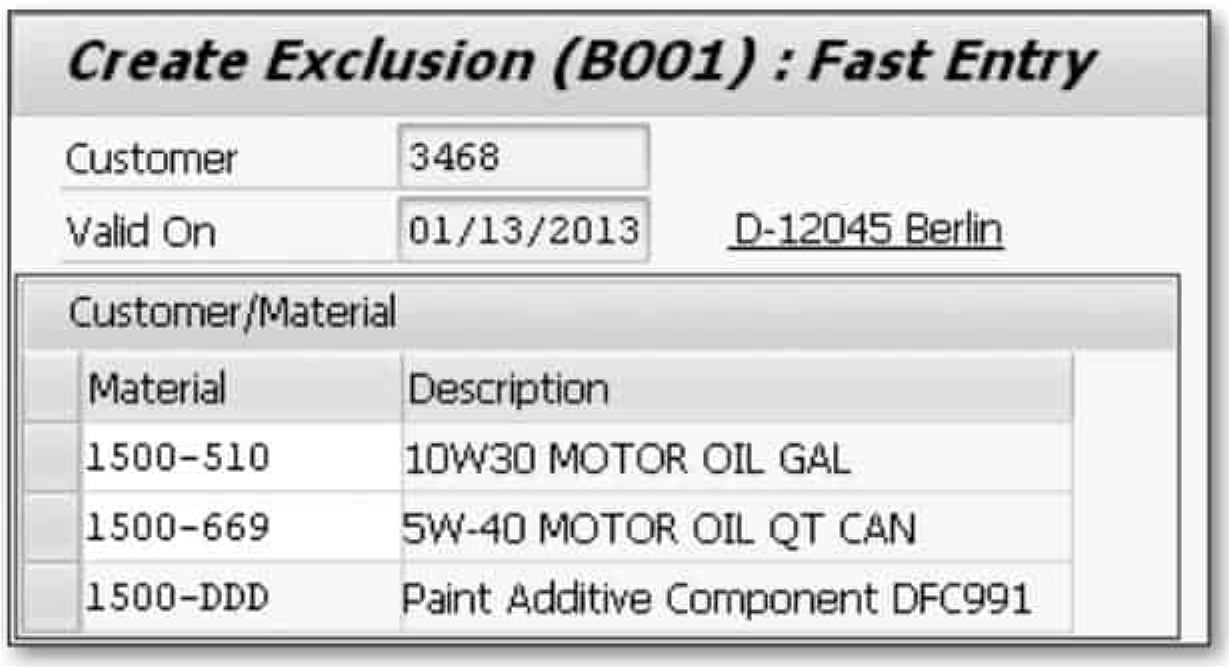


Figure 1 Creating an Exclusion List for a Customer

After you create the exclusion list, customers aren't able to purchase the materials on it within the specified validity dates. If a customer does try to purchase a material on the exclusion list, an error message is immediately returned during the sales order creation. To validate this, you can create a sales order using Transaction VA01 or the following menu path:

SAP • Logistics • Sales and Distribution • Sales • Order • Create

Figure 2 shows the creation of a sales order with a line item for a material on the exclusion list. The sales order transaction immediately sends back an error message indicating that the material has been excluded.

Figure 2 Sales Order Showing an Error Message for an Excluded Material

Tip 93

Scheduling the Period Close to Run Automatically with Dynamic Variation

Instead of manually processing the material period close, you can schedule it to run automatically via a background job, while taking variable dates into account.

The period close for Materials Management can be run manually so that the new period can commence. An issue may arise if the transaction is delayed in being run and inventory movements are processed before the new period is open. The best method to stop that scenario is to set up the transaction as a background job. However, because the dates of each period will vary from year to year, the job needs to be created so that it takes the variation into account. Therefore, you need to create a job with a dynamic variation that can deal with this issue.

✓ And Here's How...

To run the period closing transaction manually, use Transaction MMPV or the following menu path:

SAP • Logistics • Materials Management • Material Master • Other • Period Close

In the initial screen, enter the company codes you want to close for the period. Then, go to the header menu and select the following menu path:

Goto • Variants • Save as variant

Figure 1 shows the screen that is displayed. In this screen, set up the variant so that it can trigger the job on the first day of every month.

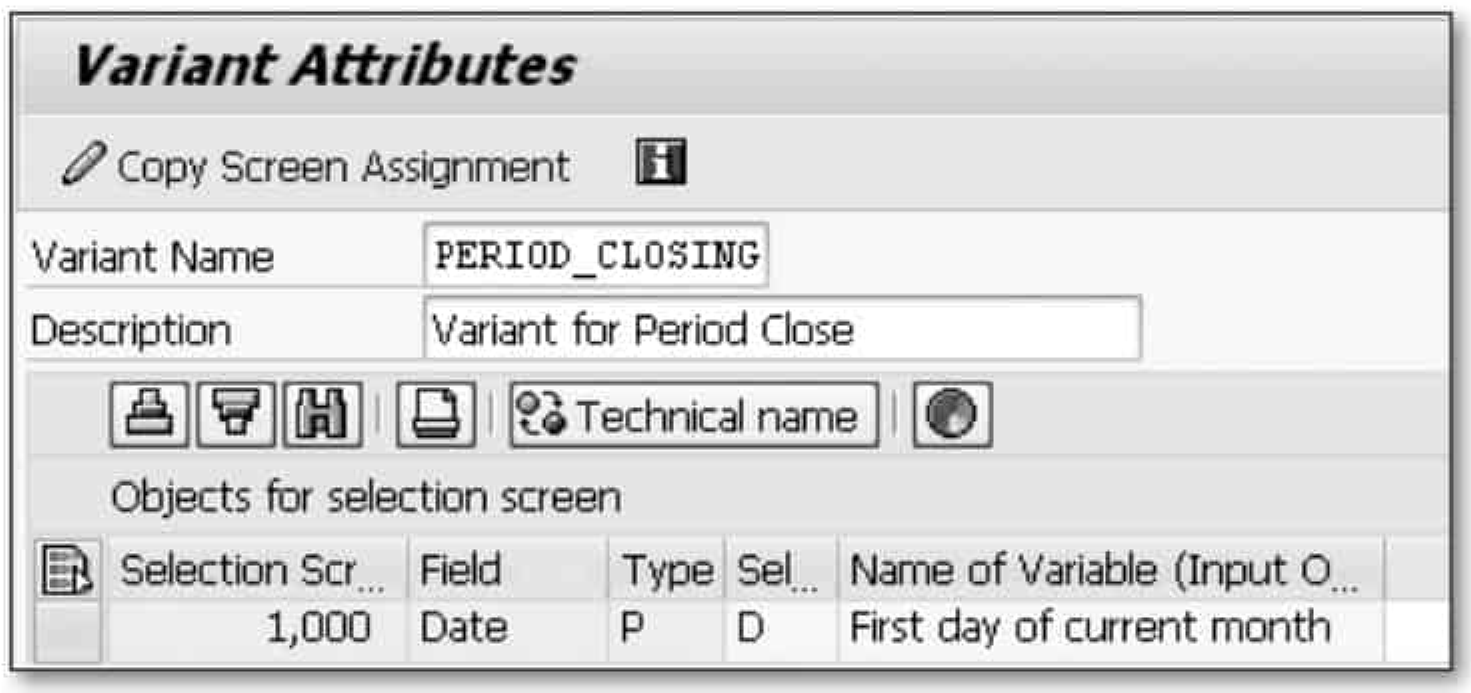


Figure 1 Creating a Variant for the Period Close Transaction

On this screen, enter a variant name and description. Then, select the date field and select D, which represents the dynamic date calculation, for the Selection Variable field. After that, for the Name of Variable field, select the entry called First Day of the Current Month. After selecting the variable, save the variant.

To schedule the transaction to run each month, create a job using Transaction SM36 or the following menu path:

SAP • Tools • CCMS • Background Processing • Define Job

In the first screen, shown in Figure 2, add the job name and then click the Start Condition button.

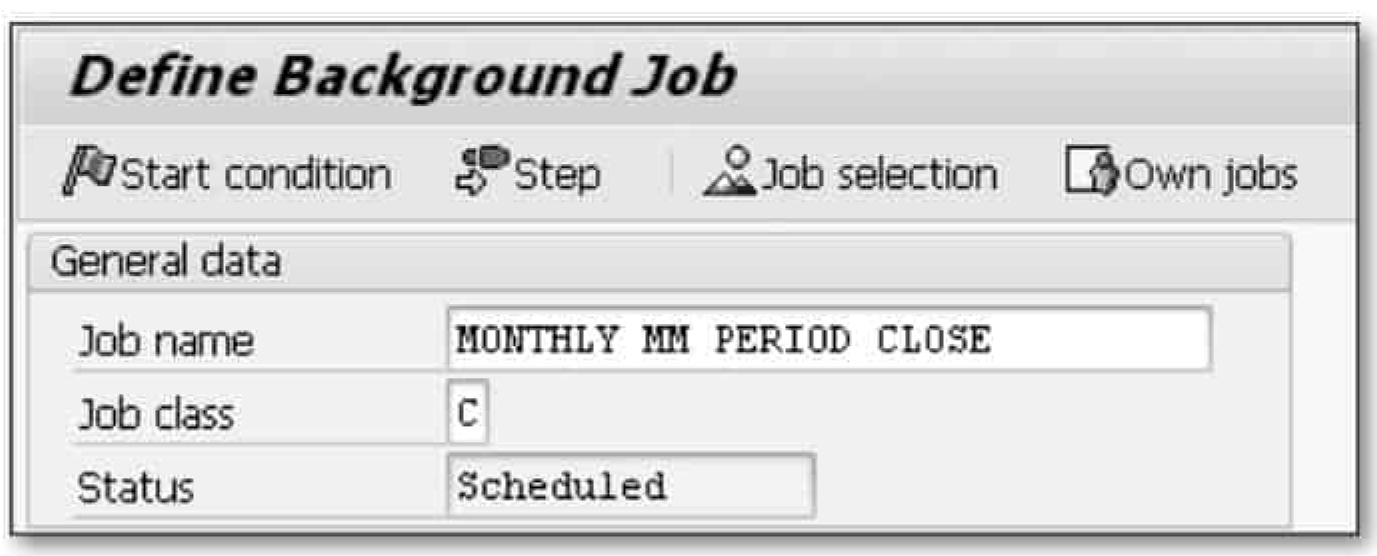


Figure 2 Job Creation Initial Screen

In the next screen, enter the time for the job to start. Click the Date/Time button and you'll see the screen where you enter the date of the next period and the time you want to job to start, as shown in Figure 3. Pick a time after the last shift of the last day of the period so that there aren't any more inventory transactions.

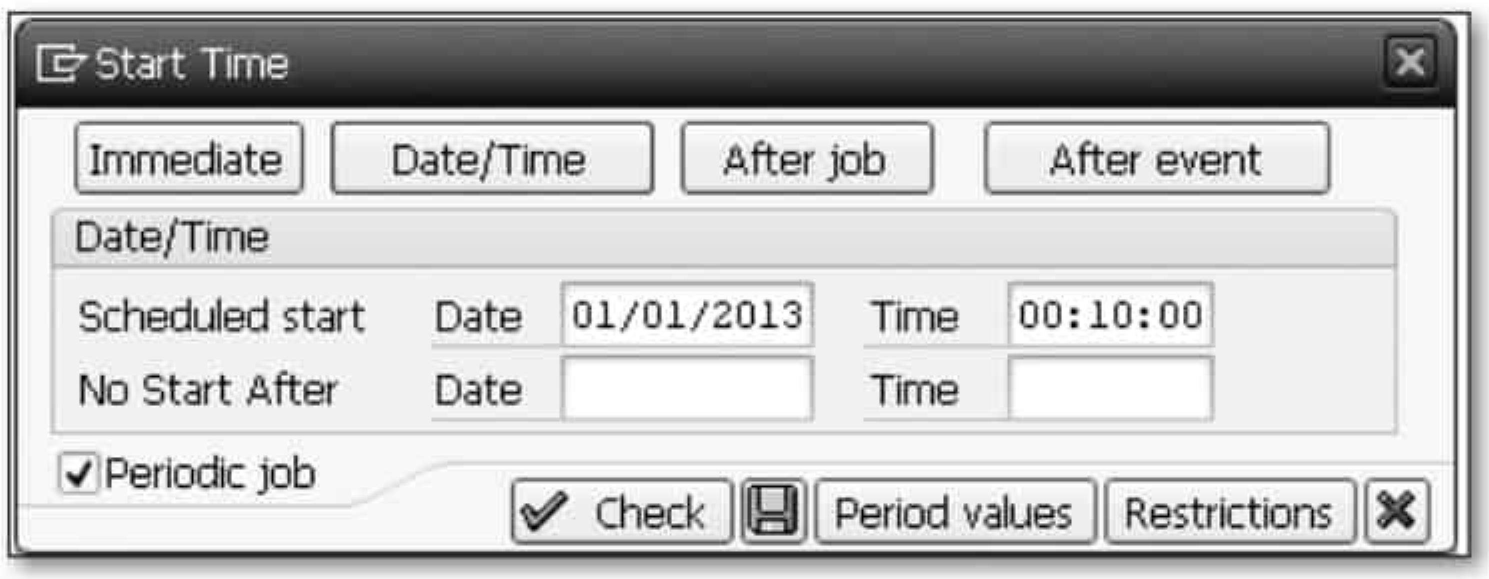


Figure 3 Start Date and Time for the Job

Then, click the Period Values button to select that the job runs monthly. You're returned to the Start Time screen; save the information on this screen. You're then returned to the initial screen, shown previously in Figure 1, where you can select the Step button.

Figure 4 shows the screen where you create the first step. Here, enter the program associated with the MMPV transaction, RMMMPERI, into the Name field and enter the variant you've created into the Variant field.

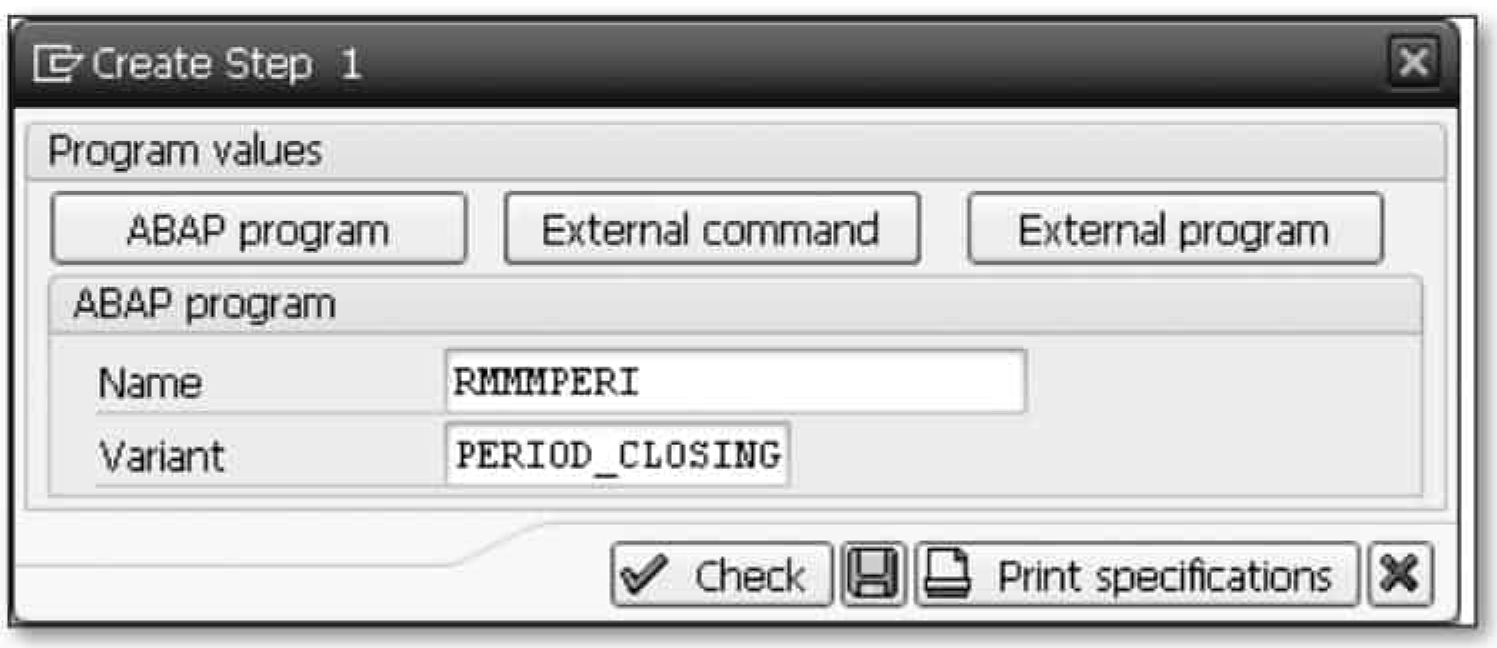
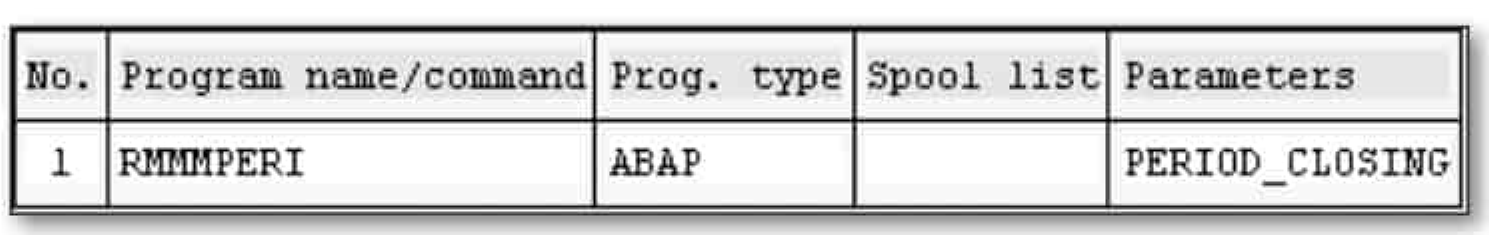


Figure 4 Creating a Job Step

Save the information in this screen, and the job creation program shows you a list of job steps that have been created, as shown in Figure 5.



No.	Program name/command	Prog. type	Spool list	Parameters
1	RMMMPERI	ABAP		PERIOD_CLOSING

Figure 5 List of Job Steps

Then, save the job as a background job. The period close then runs on the first day of every month, without requiring any further changes.

Index

A

B

C

D

E

F

G

H

I

J

L

M

N

O

P

Q

R

S

T

U

V

W

Z