



SAP MM Overview

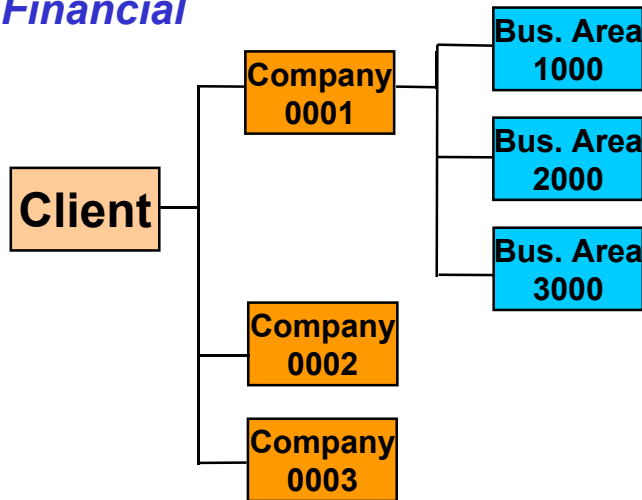
Sample Training Lecture Slides



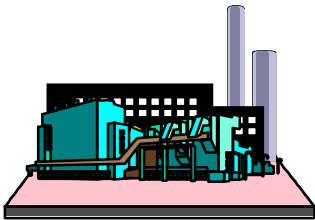
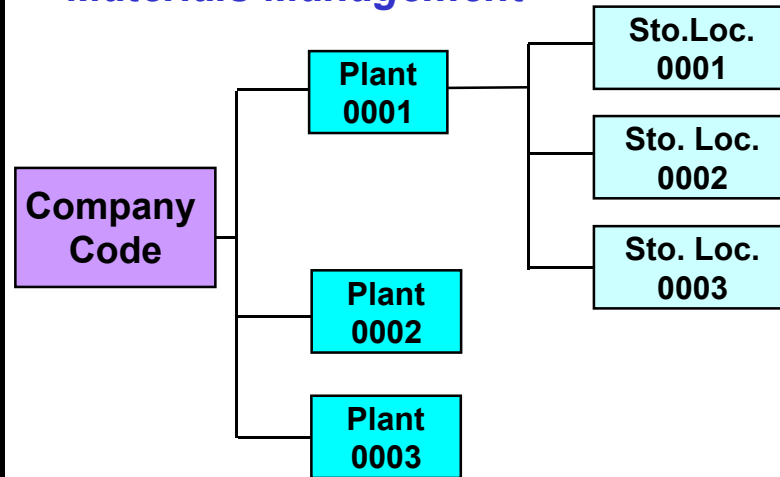
December, 2007

R/3 Org Structure Overview - MM

Financial



Materials Management



Plant



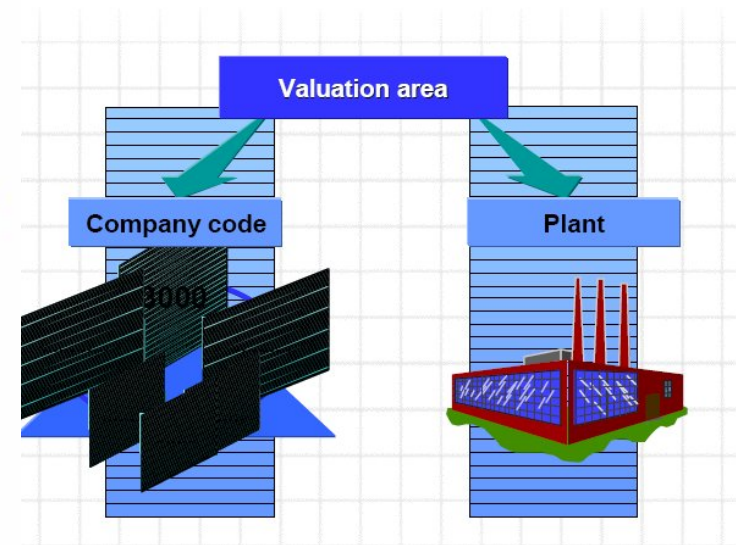
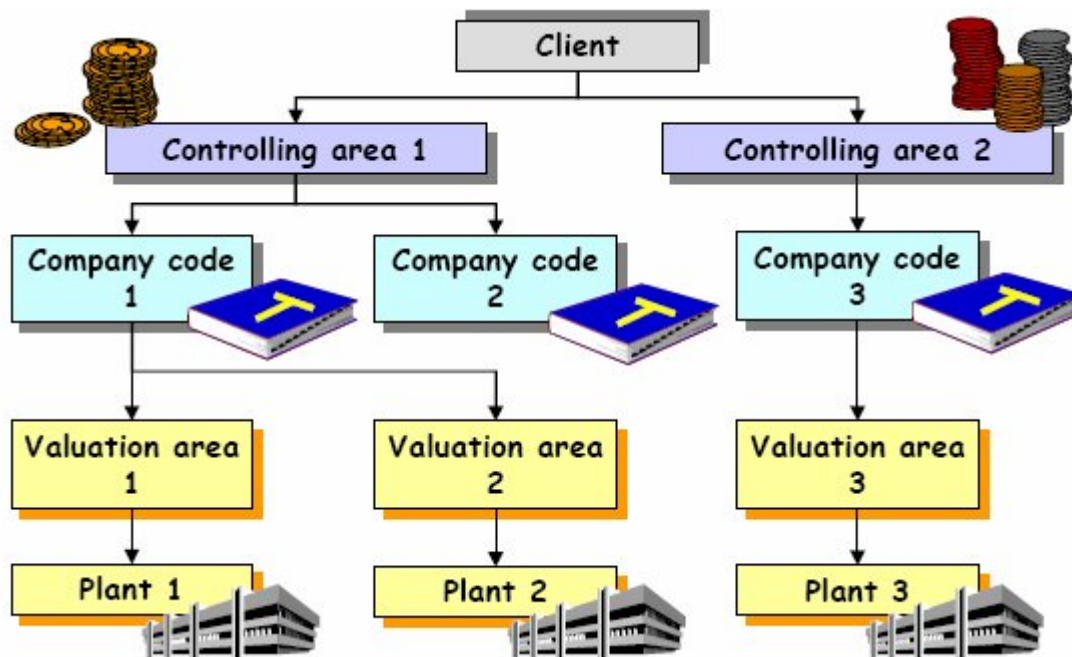
Purchase Org



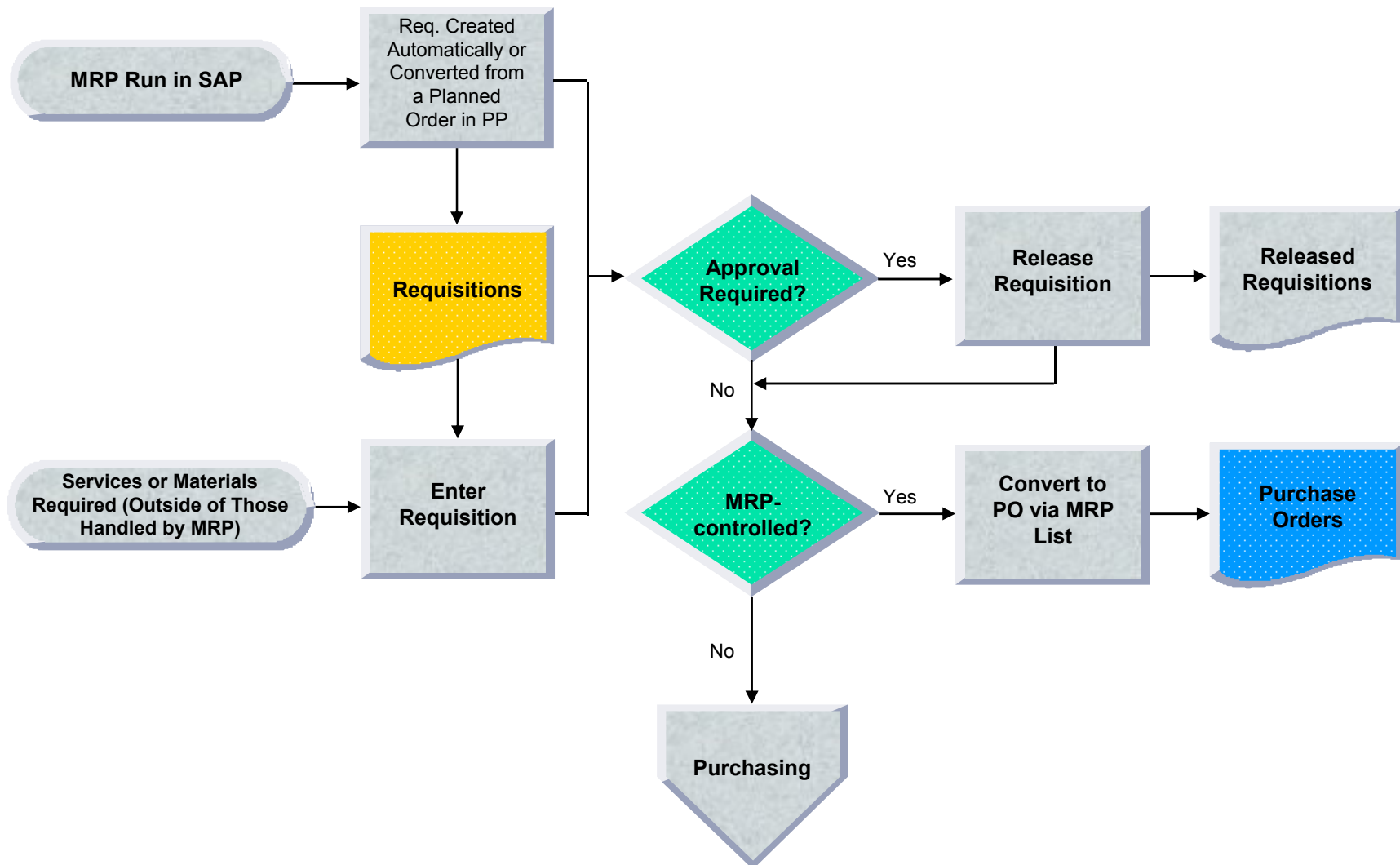
Storage Location

Valuation Area in SAP MM

- Valuation Area is either "Company Code" or "Plant".
- When stock is valued at plant level, you can value a material in different plants at different prices.
- When you value stock at company code level, the valuation price of a material is the same in all of a company's plants (that is, in a company code).
- SAP recommends that you value material at plant level.
- Valuation at plant level is mandatory if you want to use either of the Production Planning or Product Cost Accounting components



Purchase Requisition (PR) Process Flow



G/L Account Postings from GR

Automatic Postings at GR and IR

SAP

Business process:

Accounting document:

1

Goods receipt for PO into stock



Item	PK	Acct no.	Amount
1	89	300 000	100.00
2	96	191 100	120.00
3	83	231 000	20.00

Material Price - \$10 a piece
Amount \$100/
(10 PC * \$10)

Order Price - \$12 a piece
Amount \$120/
(10 PC * \$12)

GR Diff - \$2 a piece
Amount \$20

2

Invoice receipt for PO into stock

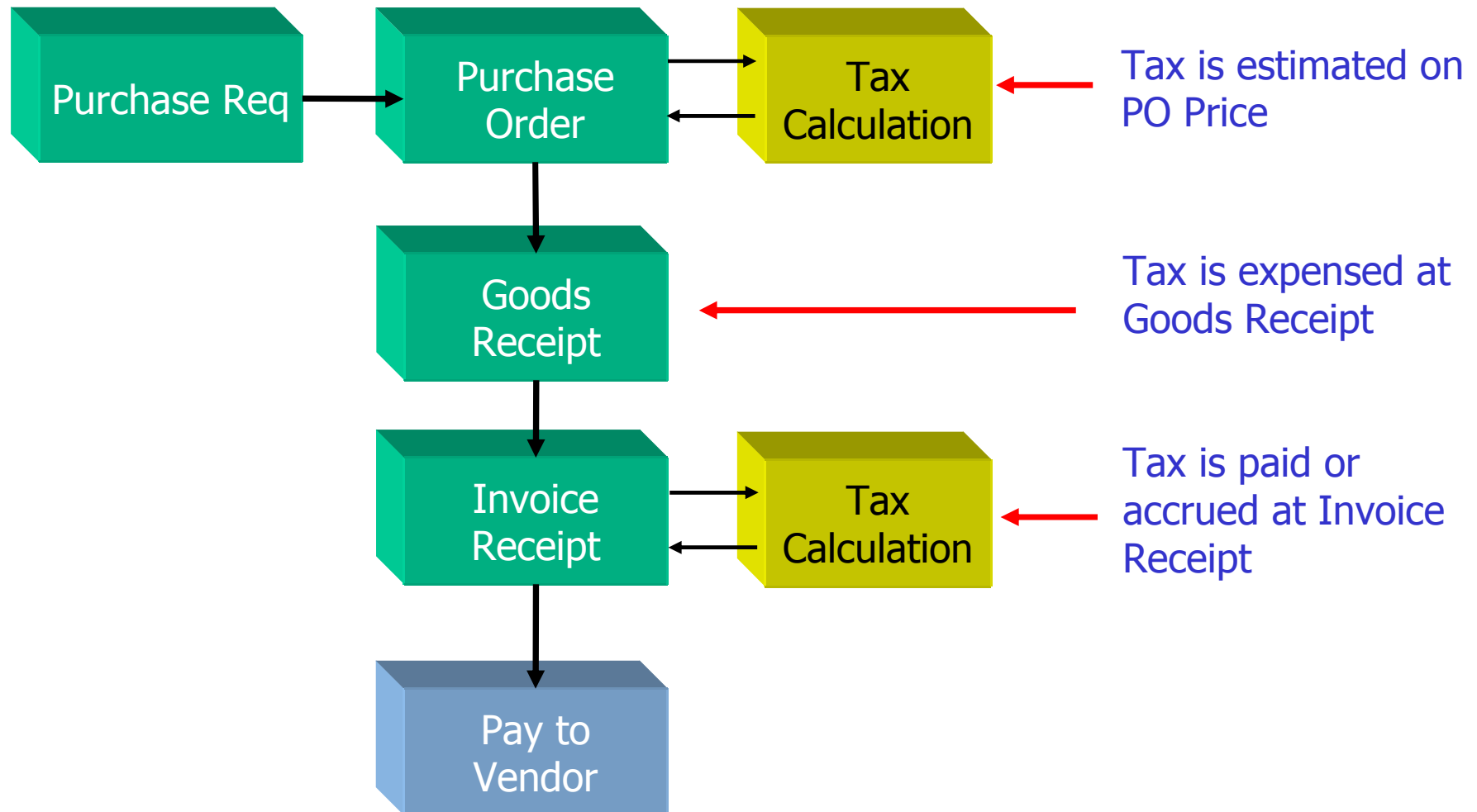


Item	PK	Acct no.	Amount
1	31	Vendor	121.00-
2	86	191 100	120.00
3	93	281 000	10.00-
4	40	154 000	11.00 (*)

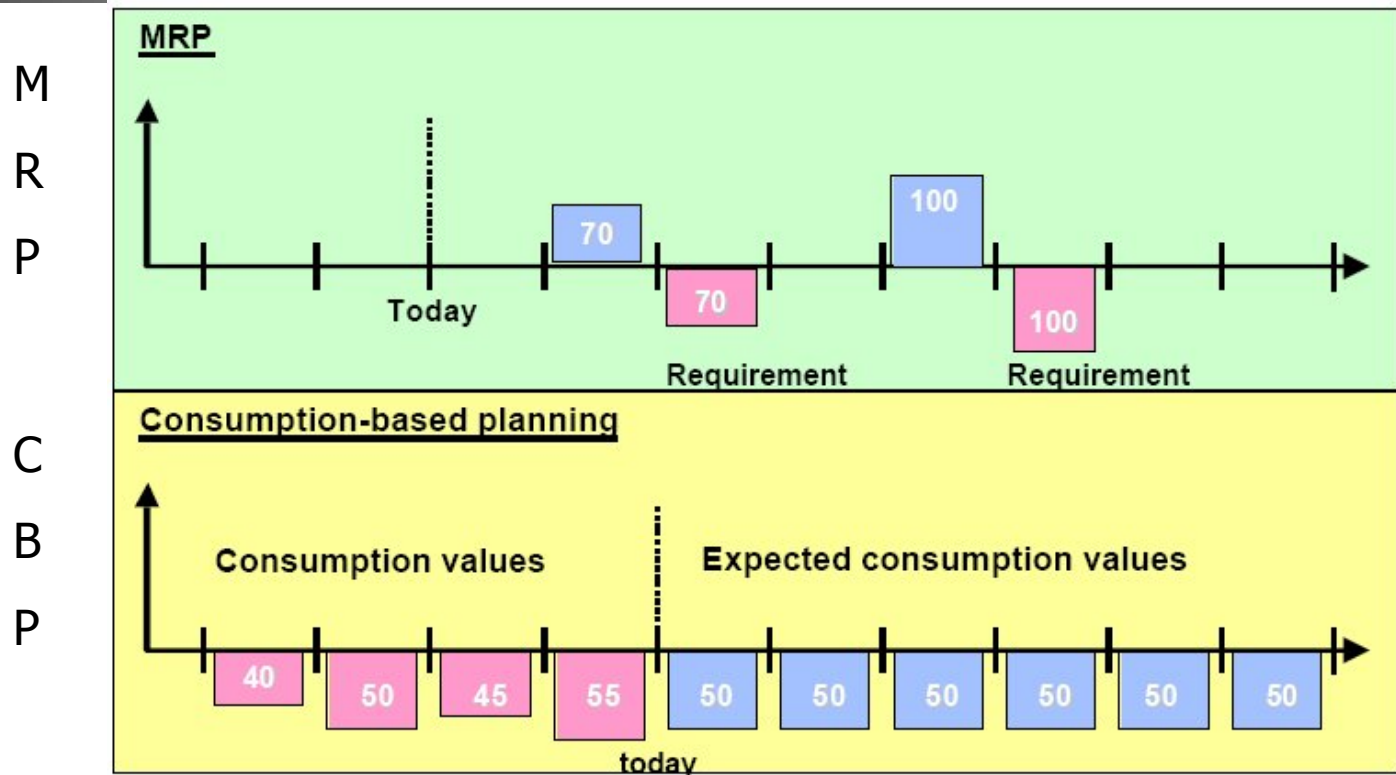
Invoice Price - \$11 a piece
Amount \$110/
(10 PC * \$11) +
Tax \$11
Total Due \$121

Invoice Verification Process

Purchase Order based Invoice Process



CBP Vs. MRP - Key Differences



- MRP is based on current and future sales. Useful for the planning of finished products and important assemblies and components. Requirement elements are sales orders, planned independent requirements, material reservations.
- CBP is based on historical data and uses material forecasts or statistical procedures to determine future requirements. It is not triggered by independent or dependent requirements. It is either triggered by the available stock level falling below the reorder point or by forecast requirement calculated from historical data.

MRP Type: Changed to Reorder Point Plan

MRP List as of 12-23-2007, 20:30 Hrs

MRP Type - Reorder Point Plan

Show Overview Tree On

Material: **GOLF_IRON** X-18 Golf Iron Set
 Plant: 3000 MRP type: **Z2** Material Type: SPRT Unit: PAC

A	Date	MRP ...	MRP element data	Reschedul...	E	Rec./reqd.qty	Available qty	Sto...
	12-23-2007	Stock			96		2	
	12-23-2007	SafeSt	Safety stock			40-	38-	
	12-24-2007	Reser.	0000000043/0001			200-	238- 3010	
	12-27-2007	SchAgr	5500000001/00010 *		07	1	237- 3010	
	01-03-2008	PurRqs	0010000269/00010		42	60	177-	
	01-03-2008	PurRqs	0010000270/00010		42	60	117-	
	01-03-2008	PurRqs	0010000271/00010		42	60	57-	
	01-03-2008	PurRqs	0010000272/00010		42	60	3	
	01-03-2008	PurRqs	0010000273/00010		01	60	63	

Matl Master - MRP 2 View

Net requirements calculation	
Safety Stock	40
Min safety stock	25

Multiple PRs are created to cover reqd qty: 237, because order qty is limited by 'fixed lot size' of 60 per planned order / pur req

Purchase Req - creation indicator

Created by	MRPCtrl 1 fo
Crea. Ind.	Material requirements planning
Requisitioner	MRPCtrl 1 fo Tracking N

Reservation

Material	Reqd Qty	Reqd Date
Golf Iron	200	12/24

Matl Master - MRP 1 View

MRP procedure	
MRP Type	Z2 Autom. reord.po
Reorder Point	75
Planning cycle	300

Lot size data	
Lot size	FX Fixed order quar
Fixed lot size	60