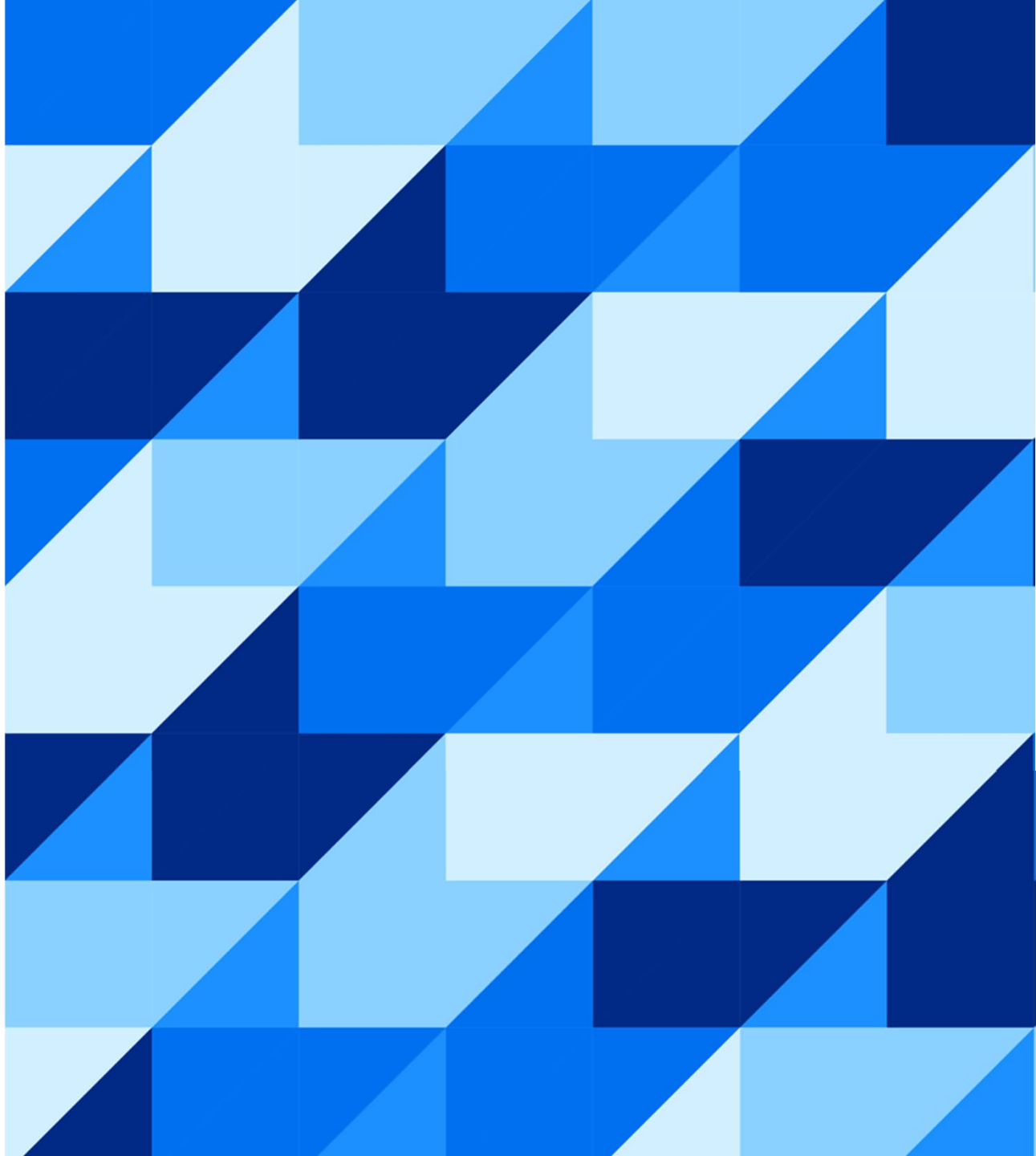
SAP Business ByDesign – Business Scenario Explorer

Procure-to-Pay (Services)

Public



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SAP Business ByDesign – Procure to Pay (Services)

Scenario Overview

Click process chevrons for details

Processing Shopping Carts → Processing Purchase Requests → Processing Requests for Quotation → Processing Purchase Orders → Confirming Goods and Services Receipts → Processing Supplier Invoices → Processing Payables and Payments

Project Management

Order-to-Cash (Project-Based Services)

Scenario Explorer

- Scenario Overview
- Process Details
- Business Value
- Scenario Flow
- Further Information

Scenario Description

The Procure-to-Pay (Services) business scenario allows you to procure services, such as consulting and training services, temporary labor, or engineering services.

It can be triggered by employees who create shopping carts for services, by project managers who need a certain service for their project, or directly by the buyer using a purchase order.

Project-related services are usually recorded in a time sheet and the costs are directly transferred to the project tasks in financial accounting.

If a purchasing contract or a list price for the ordered service exists, the purchase order can be created automatically. If no source of supply exists, a request for quotation can be sent out to determine an appropriate supplier.

Alternatively with this scenario, it is possible to order external resources to provide services for customer demands that cannot be fulfilled by internal employees. In this case, the procurement process is triggered when a sales order or a service order has been created.

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Involved Roles

Open Legend


Employee


Strategic Buyer


Operational Buyer


Accounts Payable Accountant

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SAP Business ByDesign – Procure to Pay (Services)

Scenario Overview

Click process chevrons for details

Processing Shopping Carts → Processing Purchase Requests → Processing Requests for Quotation → Processing Purchase Orders → Confirming Goods and Services Receipts → Processing Supplier Invoices → Processing Payables and Payments

Project Management

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Involved Roles


Employee


Strategic Buyer


Operational Buye


Accounts Payable A

Legend

Close Legend

- Process mainly driven by the user
- Process mainly driven by the system
- Manual process not supported by the system
- Process that communicates with third-party software (mouse-over for details)
- Process with relevance to Financials
- Related scenario
- Info button with more information

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Shopping Carts

Click process chevrons for details



Scenario Explorer

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- Further Information

Process Description

The Processing Shopping Carts business process enables your employees to independently create and track shopping carts to request non-stock materials and services. They can also confirm, cancel or return goods and services receipts from the shopping carts. The costs for these products can be assigned to a cost center, project, sales order, or service order. The information in these shopping carts is sent for approval, if required, and then transferred into purchase requests for the purchasing department. It is possible for a requester to withdraw a shopping cart from approval. Requested items can also be canceled.

Further Information



Performed by Employee



In the work center Home



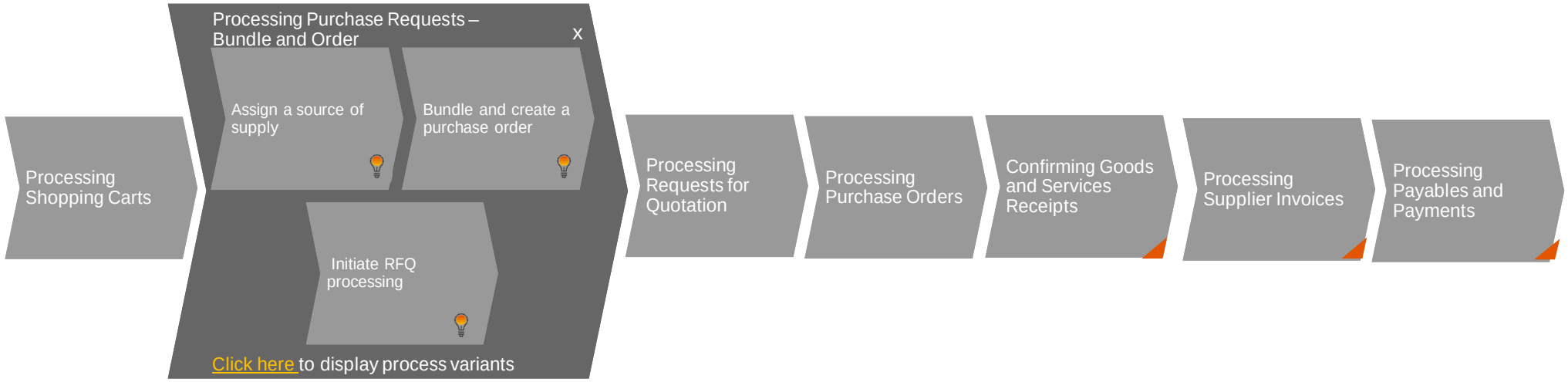
Link to Shopping Cart Processing

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Purchase Requests

Click process chevrons for details



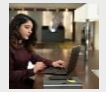
Scenario Explorer

- Scenario Overview
- Process Details
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- Further Information

Process Description

The Processing Purchase Requests business process enables you to monitor incoming purchase requests and to add or change relevant data in order to transfer purchase requests into purchase orders. You can assign missing sources of supply such as contracts, list prices, or already existing purchase orders and then either order the assigned purchase requests or bundle multiple assigned purchase requests into one or more purchase orders. If there is no source of supply to be found, you can find appropriate sources of supply using a request for quotation. The process can have multiple degrees of automation.

Further Information



Performed by Operational Buyer

In the work center Purchase Requests and Orders

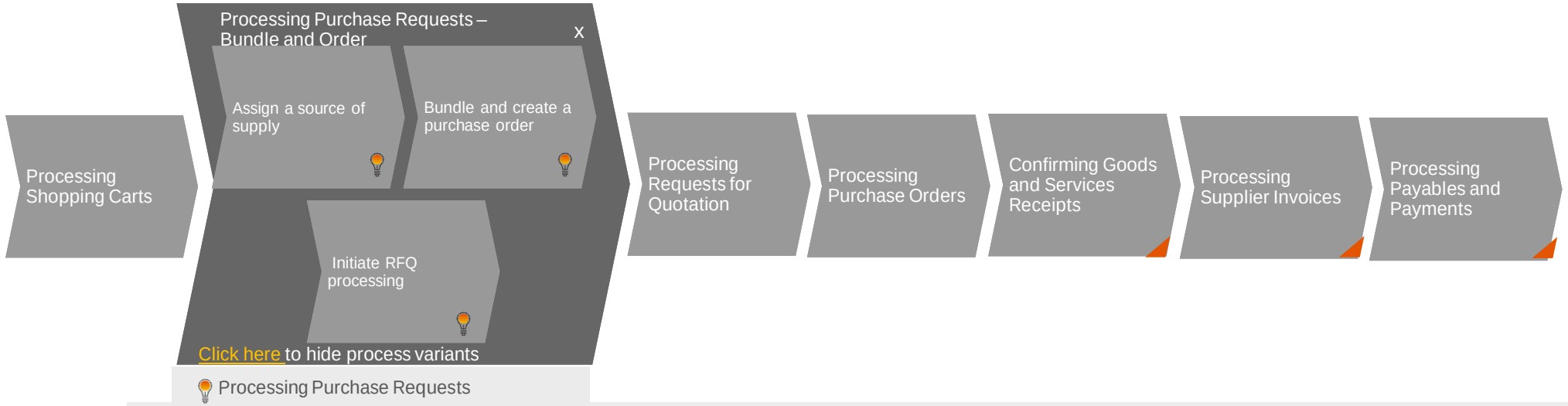
Link to Purchase Request Processing

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Purchase Requests

Click process chevrons for details



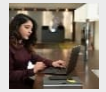
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Further Information



Performed by Operational Buyer

In the work center Purchase Requests and Orders

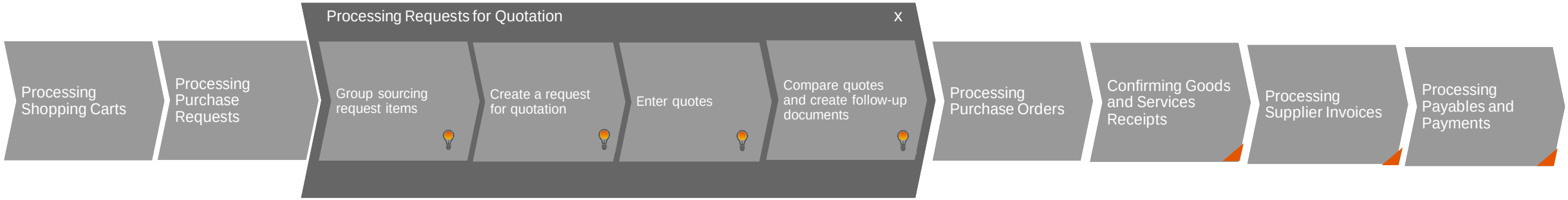
Link to Purchase Request Processing

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Requests for Quotation

Click process chevrons for details



Scenario Explorer

- Scenario Overview
- Process Details
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- Scenario Flow
- Further Information

Process Description

The Processing Requests for Quotation business process enables your purchasing department to bundle your company's purchasing requirements and to find appropriate sources of supply for the materials and services required. This includes finding sources of supply for purchase requests, for example, and for the negotiation of new or expiring purchasing contracts.

You can invite new or existing suppliers to participate in requests for quotation and compare the quotes received easily in the system to determine most suitable supplier for your requirements.

Once you have determined the winning quote, the bidders are notified about the outcome of the request for quotation process, and follow-up documents, such as purchase orders or contracts, can be created.

Further Information



Performed by Strategic Buyer

In the work center Sourcing and Contracting

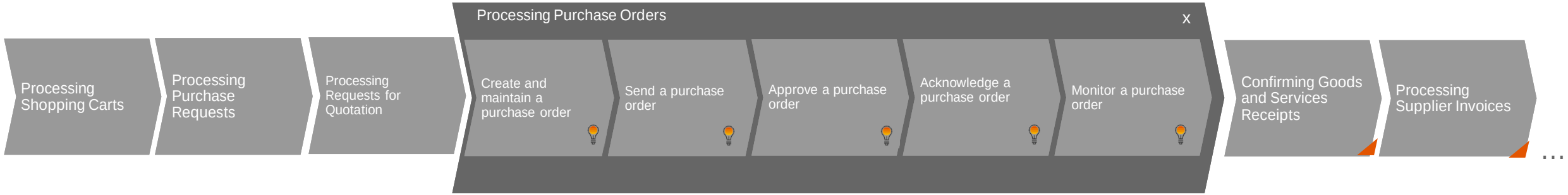
Link to Request for Quotation Processing

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Purchase Orders

Click process chevrons for details



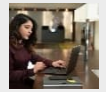
Scenario Explorer

- Scenario Overview
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- Further Information

Process Description

The Processing Purchase Orders business process enables you to work on automatically created purchase orders, or manually create a purchase order with or without reference to a contract or a list price. You can also search in a supplier catalog for the products to be ordered. The purchase order can contain stock material with or without product specification, services, or non-stock material that can be ordered for different purposes (for example, for costs centers, projects, or as an individual material within an asset procurement process).You can also create third-party purchase orders for materials and services manually, which can be assigned to sales orders, service orders, or customer projects. If all relevant data is maintained, the purchase order is sent to the supplier, which can also be an affiliated company that uses either SAP Business ByDesign or SAP ERP. It is also possible that an approval procedure depending on the purchase order value is in place. Optionally, a purchase order acknowledgment can be used. The process can have multiple degrees of automation

Further Information



Performed by Operational Buyer

In the work center Purchase Requests and Orders

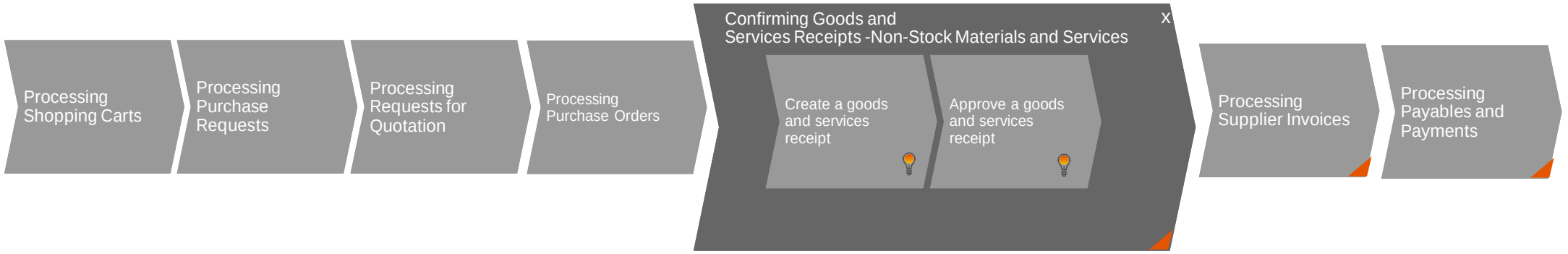
Link to Purchase Order Processing

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Confirming Goods and Services Receipts

Click process chevrons for details



Scenario Explorer

- Scenario Overview
- Process Details
- Business Value
- Scenario Flow
- Further Information

Process Description

The Confirming Goods and Services Receipts business process enables you to create goods and services receipts for non-stock materials and services and related expenses. You can manage and track the delivery of materials and the completion of services in the system.
In cases where services have been completed and time sheets have been created by service agents in Time and Labor Management (TLM), goods and services receipts are created automatically from the time sheet entries.
When you post the goods and services receipt, the system automatically forwards the data to Financials and posts it there.
Goods and services receipt processes do not support the receipt of stock materials. The Supply Chain Management part of the solution supports the receipt of stock materials into your warehouse through its inbound processes.

Further Information



Performed by Employee

In the work center Goods and Services Receipts

Link to Create a Goods and Services Receipt for One or More Purchase Orders

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Supplier Invoices

Click process chevrons for details



Scenario Explorer

- Scenario Overview
- Process Details
- Business Value
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- Further Information

Process Description

The Processing Supplier Invoices business process enables you as an accountant to enter, verify, and post invoices, credit memos, and down payment requests that you received from your supplier by fax or by mail. Alternatively, your supplier, which can also be an affiliated company, can send you these documents electronically as XML messages. An automated invoice-verification process compares all supplier invoices with their corresponding purchase documents, if available.

You can also charge supplier invoice items to partner companies, and you can distribute additional costs, such as freight, among all other supplier invoice items.

When the supplier invoice is complete and correct, you post it. The supplier invoice is then used to pay your suppliers. If relevant, the system also creates new fixed assets automatically.

Further Information



Performed by Accounts Payable Accountant

In the work center Supplier Invoicing

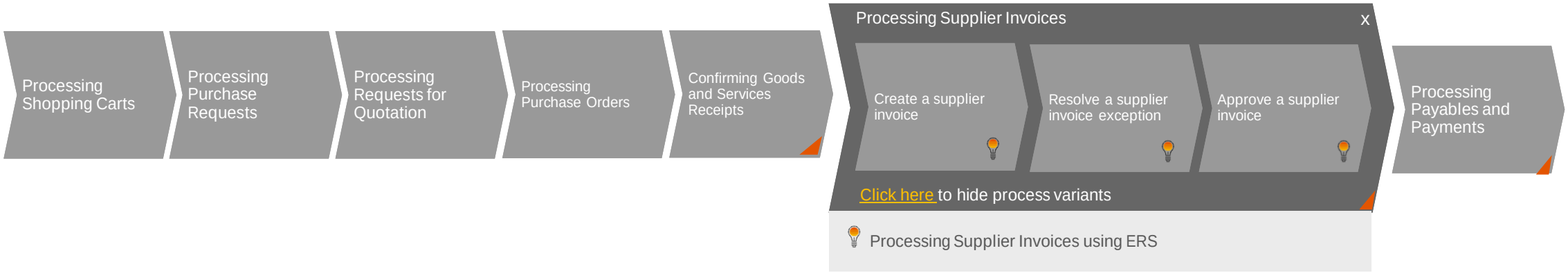
Link to Supplier Invoice Processing With Reference

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Supplier Invoices

Click process chevrons for details



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Further Information



Performed by Accounts Payable Accountant

In the work center Supplier Invoicing

Link to Supplier Invoice Processing Using Evaluated Receipt Settlements

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Payables and Payments

Click process chevrons for details



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- Further Information

Process Description

The Processing Payables and Payments business process enables the processing of outgoing payments initiated either internally by your company or externally by your suppliers.

Payments can be made manually or automatically via a payment run in which the system proposes the open items for payment. You then release the payments and the system posts them to accounting. You create the payment medium, either manually or as part of an automatic run. The standard work center provides checks, outgoing bank transfers, credit memos, as well as other country-specific payment methods. Once the payments have been debited from the bank account, the bank statement is entered in the system, in which it is uploaded electronically or entered manually, before being confirmed. If payments are initiated externally, the bank statement provides the notification that a payment has been made. The payments are matched in the system to the open invoices before being cleared.

Further Information



Performed by Accounts Payable Accountant

In the work center Payables, Payment Management, Liquidity Management

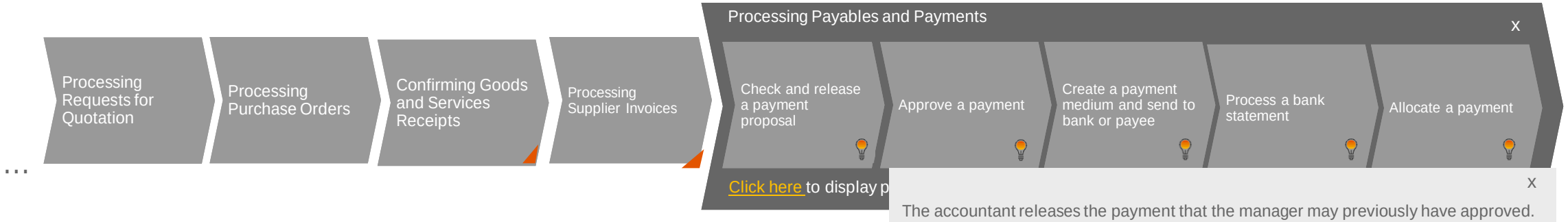
Link to Quick Guide for Payment Allocation

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Payables and Payments

Click process chevrons for details



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The accountant releases the payment that the manager may previously have approved. The system creates the payment medium in an automatic run or the accountant creates it manually. The system provides checks and outgoing bank transfers and the option of remittance advices. The accountant prints checks and sends them by mail to the payee. Bank transfers stored in a file are sent by the accountant to the bank or uploaded to the banking software.

Scenario Explorer

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- Business Value
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Further Information



Performed by Accounts Payable Accountant

In the work center Payables, Payment Management, Liquidity Management

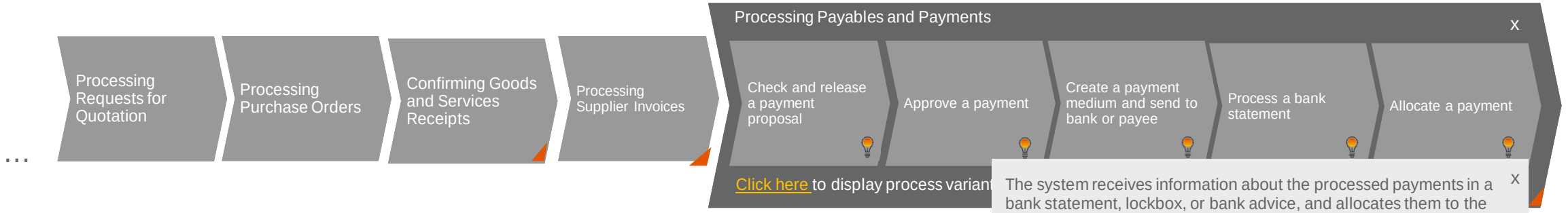
Link to Quick Guide for Payment Allocation

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Payables and Payments

Click process chevrons for details



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Further Information



Performed by Accounts Payable Accountant

In the work center Payables, Payment Management, Liquidity Management

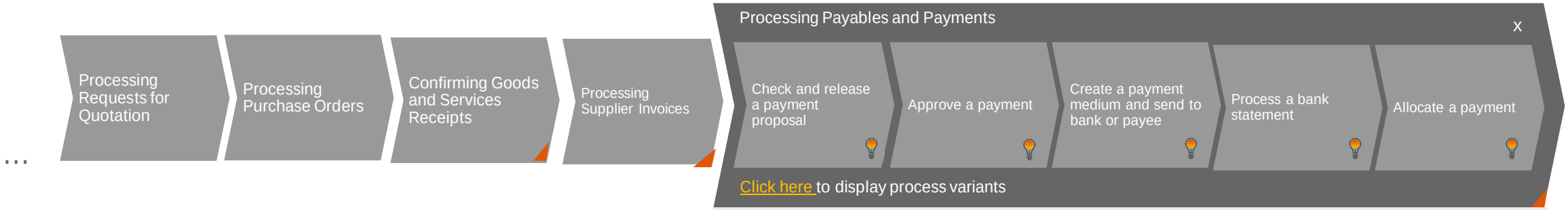
Link to Quick Guide for Payment Allocation

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SAP Business ByDesign – Procure to Pay (Services)

Process Details: Processing Payables and Payments

Click process chevrons for details



- Processing Externally-Initiated Payments of Credit Memos by Incoming Bank Transfer
- Processing Externally-Initiated Payments of Credit Memos by Incoming Check
- Processing Externally-Initiated Payments of Credit Memos by Incoming Check with Lockbox
- Processing Externally-Initiated Payments of External Credit Memos by Bill of Exchange
- Processing Payments Manually with Bills of Exchange
- Processing Payments Manually with Open Item Clearing
- Processing Payments with Petty Cash
- Processing Payables and Payments with Accounts Maintenance - Standard

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- Process Details
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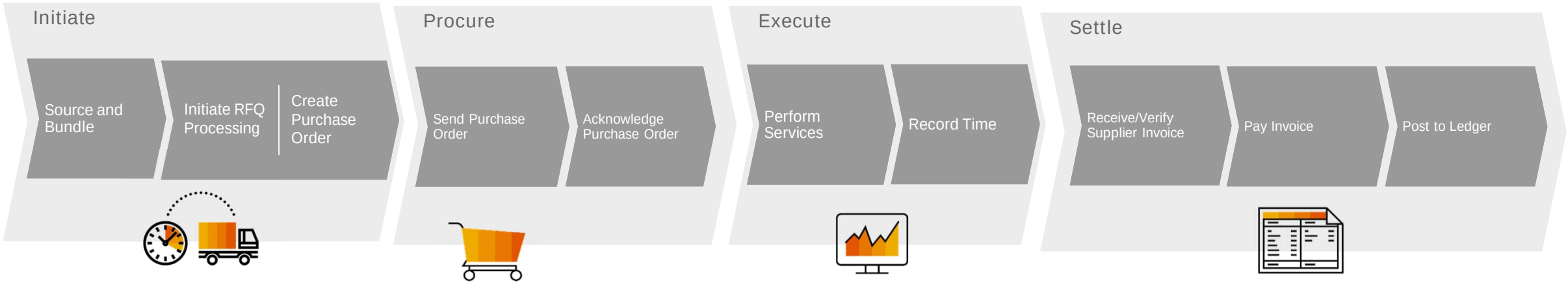
In the work center Payables, Payment Management, Liquidity Management

Link to Quick Guide for Payment Clearing (Payables)

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SAP Business ByDesign – Procure to Pay (Services)

Business Value



Scenario Explorer

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Overview

For midsized companies, who staff their projects with external resources, this process integrates service procurement for improved project execution and greater customer satisfaction

You can grow profits by utilizing integrated service procurement and time confirmation processes.

SAP Business ByDesign helps efficiently manage the procure-to-pay process: From project planning, service procurement, job execution, time recording through financial settlement.

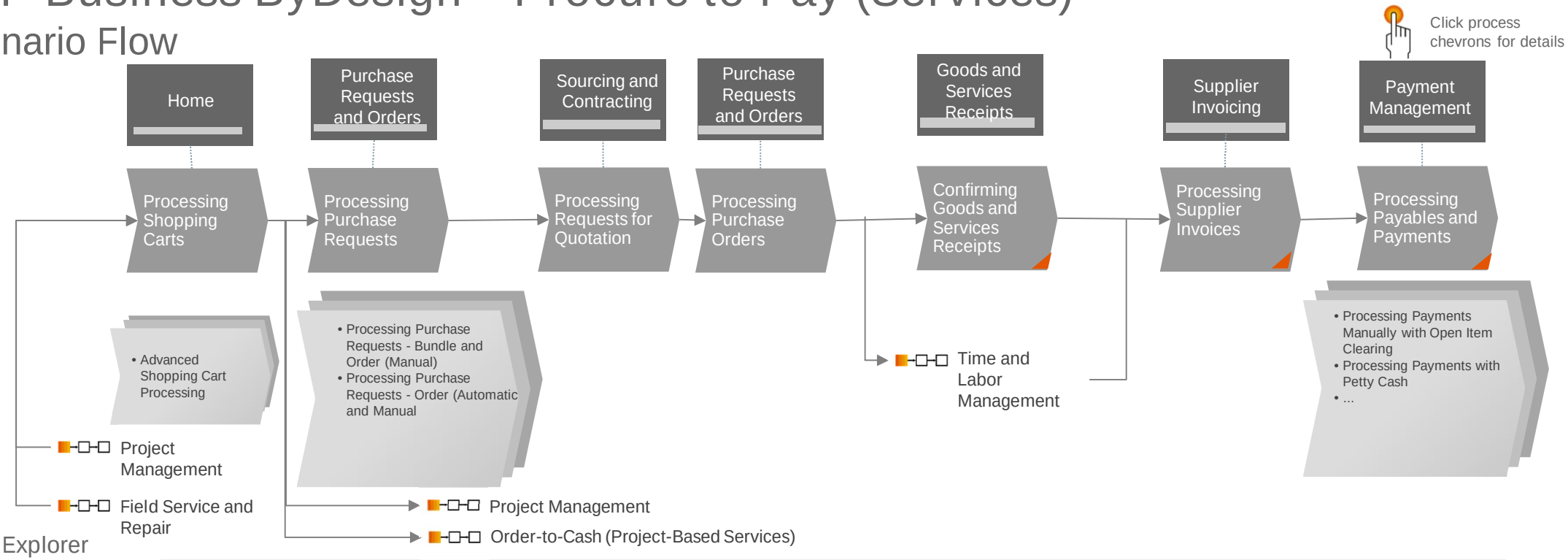
Key Benefits

- Automated sourcing and purchase order creation, triggered from the project
- Efficient collaboration with all parties involved in your project within your company and beyond
- Time recording, monitoring, and confirmation of work performed by external service providers
- Payments to suppliers are highly automated to achieve the highest possible payment discounts taking the current liquidity situation into consideration
- Built-in alert and exception handling for fast handling of non-standard requests
- Built-in analytics that enables the purchasing department to monitor the lifecycle of the external service provider

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SAP Business ByDesign – Procure to Pay (Services)

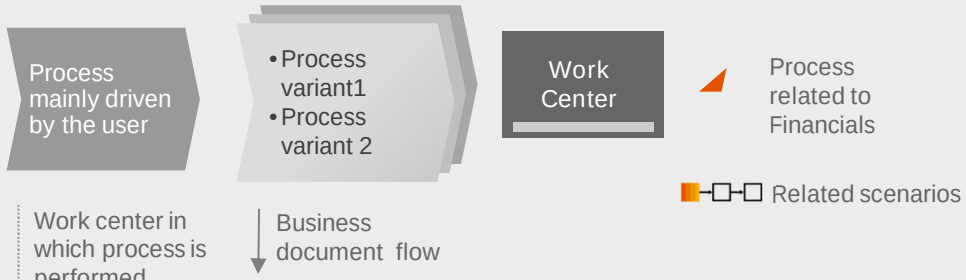
Scenario Flow



Scenario Explorer

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Legend & Variants

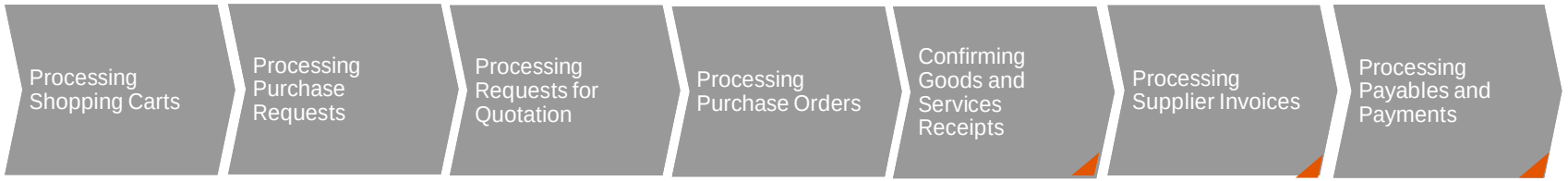


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SAP Business ByDesign – Procure to Pay (Services)

Further Information

Click process chevrons for details



Project Management

Order-to-Cash (Project-Based Services)

Scenario Explorer

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Do you need more information?

More Details
SAP provides a complete product documentation, covering all aspects of the business scenario. For more details, click here.

Do you want to discuss with others?

Forum
Get in touch with experts to discuss your specific requirements. To enter the community, click here.

Do you want to explore other business scenarios?

Business Scenarios
Take a look at the other business scenarios. For more details, click here.

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