Chapter 05: **Fulfillment**

Exercise 05-02: **Basic Fulfillment Processes**

Single Company Code

Version 1

Rev: 01/03/2011

Introduction

General Notes and Information

It is strongly recommended that you read through the entire exercise prior to starting. Not all instructions can be provided in a linear manner.

The following symbols are used to indicate important information, as described below.

➡ An arrow highlights an important instruction that must not be overlooked.

☐ A pencil prompts you to write down an important piece of information.

Each student or group will be assigned a unique **three-digit identifier**. This identifier is used in all exercises to uniquely identify your data. Whenever you see **###** in these exercises, replace it with your identifier.

Always work with your data.

Business Process Overview

The fulfillment process in GBI is initiated when the company receives a customer's inquiry and creates and internal sales quotation. In this exercise we assume that the customer has agreed to place to place the order with GBI. You will receive the purchase order for the materials and then create an internal sales order. Next, you will prepare the goods for shipping and ship them to the

customer, along with an invoice. Finally, you will receive the payment and post it to the customer's account.

Exercise Prerequisites

Exercise 5-1 GBI Review Fulfillment Master Data-SCC

Exercise Workflow

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

Exercise Deliverables

Deliverables are consolidated into one worksheet at the end of this exercise. For this exercise you will need the following deliverables:

In the System:

☑ Creation of a quotation

☑ Creation of an internal sales order

☑ Shipment of goods

☑ Create and send the invoice

☑ Post customer payment

On Paper:

☑ Answers to the Questions

➡ Your may be assigned additional deliverables. Make certain to check with your instructor.

- -

Step 1: Receive Customer Inquiry

Receive Customer Inquiry → Create & Send Quotation → Receive Customer Purchase Order → Create Sales Order → Prepare Shipment (Pick & Pack)

Send Shipment (Ship) → Create & Send Invoice → Recieve Payment → Post Payment

This step has no SAP activity associated with it. You have received an inquiry from a customer, DC Bikes, requesting a price quotation for a list of products. It reads:

To Whom It May Concern:

My name is "Jeremy Jones" and I am a purchasing agent for DC Bikes in our nation's great capital, Washington D.C.. I was looking through your catalog and would like to receive a quote for the following items:

Quantity	Item	Your Material Number.
20	Elbow Pad	EPAD1###
15	Road Helmet	RHMT1###
12	Repair Kit	RKIT1###
10	Off Road Helmet	OHMT1###
5	Knee Pad	KPAD1###

A quote by email or fax would be ideal.
Thanks,
Jeremy Jones
Purchasing Agent
DC Bikes
1300 Pennsylvania Ave, 20004 Washington DC
Fax: (517) 555-1234

Exercise Deliverables

In the System
- ☑ None

On Paper
- ☑ Fill in Your Material Numbers

Step 2: Create and Send Customer Quotation

| Receive Customer Inquiry | Create & Send Quotation | Receive Customer Purchase Order | Create Sales Order | Prepare Shipment (Pick & Pack) |

| Send Shipment (Ship) | Create & Send Invoice | Recieve Payment | Post Payment |

This step is a response to the inquiry. It involves creating a quotation and forwarding it to the customer. For this exercise, the quote will be printed out. Alternatively, it could be transmitted electronically.

Step 2.1:   Navigate to the transaction to create & send a quotation:

Navigation

Logistics → Sales and Distribution → Sales → Quotation → Create

Q1: What is the transaction code to create a new Quotation: -----

Q2: What is the transaction code to change an existing Quotation: --

Q3: What is the transaction code to display an existing Quotation: --

Step 2.2:   In the *"Create Quotation: Initial Screen:"* enter the following information:

Field Name	Data Entry
Quotation Type	Quotation
Sales Organization	US East
Distribution channel	Wholesale
Division	Accessories

(ENTER)

At the top of the screen enter the following information:

Field Name	Data Entry
Quotation	Leave blank (system auto-assigns number)
Sold-to party	Code for **your** Customer DC Bikes
Ship-to party	Leave blank (system assigns the ship to party automatically)

➡ If you have trouble finding your version of DC Bikes when searching for customer number, remember to use your ### identifier as the search term.

In the *"Item Overview"* tab enter the following information:

Field Name	Data Entry
Valid to	Date one month from today
Material	Include here the material numbers for the goods requested in Mr. Jone's e-mail – one per line
Order Quantity	Enter the quantities requested

(ENTER)

(SAVE)

Q4:   What was your quotation number: --------------------------

➡ In a real-life situation, you would fax this quote to your customer.

Review Order Status

Look at the Document Flow in VA23. Go to the top of the screen and choose Environment →
Display Document Flow. This screen shows the current status of the order. Throughout the
exercise, you will view the document flow to see how the status changes as we complete more of
the process steps.

Q5: What is the quotation's current status: ----------------------

Refer to the previous exercise for instructions on how to review your material inventory balance.
Review the inventory, and answer the following questions.

Q6: How many Elbow Pads are in unrestricted stock: ------------

Q7: How many Road Helmets are in unrestricted stock: ----------

Q8: How many Repair Kits are in unrestricted stock: ------------

Q9: How many Off Road Helmets are in unrestricted stock: ------

Q10: How many Knee Pads are in unrestricted stock: ------------

Refer to the previous exercise for instructions on how to review your customer's accounts receivable
balance. After you review the customer's balances, answer the following questions.

Q11: What is the customer number for DC Bike's: ----------------

Q12: What is DC Bike's debit balance: ----------------------------

Exercise Deliverables

In the System:

☑ Creation of a quotation

On Paper:

☑ Answers to the Questions

Step3: Receive Customer Purchase Order
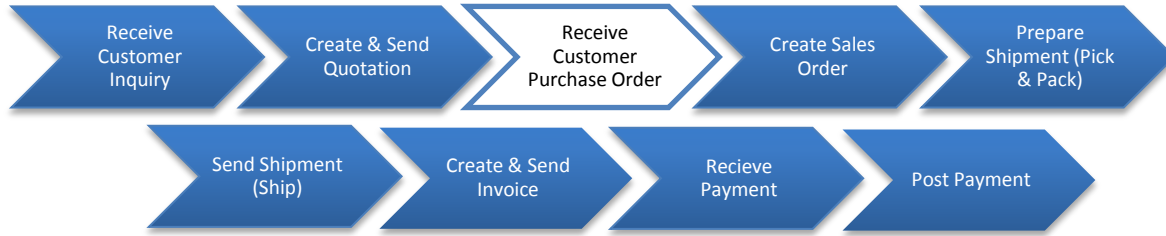
You now receive the following purchase order from your customer. This step has no SAP activity associated with it.

GLOBAL BIKE INC.
[Company Slogan]

PURCHASE ORDER

TO:
Jeremy Jones
DC Bikes
1300 Pennsylvania Ave
Washington DC, 20004

P.O. NUMBER:
PO1###
[The P.O. number must appear on all related correspondence, shipping papers, and invoices]

P.O DATE	REQUISITIONER	SHIPPED VIA	F.O.B. POINT	TERMS
Today's Date				

QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL
20	EPAD1###	Elbow Pad	$75	$1500
15	RHMT1###	Road Helmet	50	750
12	RKIT1###	Repair Kit	32	384
10	OHMT1###	Off Road Helmet	50	500
5	KPAD1###	Knee Pad	75	375

SUBTOTAL	3,509
SALES TAX	0.00
SHIPPING AND HANDLING	0.00
OTHER	
TOTAL	$3,509

Review Order Status

Look at the Document Flow in VA23: Environment → Display Document Flow. This screen shows the current status of the order. Throughout the exercise, you will view the document flow to see how the status changes as we complete more of the process steps.

Q13:   What is the quotation's current status: --------------------------

Refer to the previous exercise for instructions on how to review your material inventory balance.
After you review the inventory, answer the following questions.

Q14:   How many Elbow Pads are in unrestricted stock:---------- ----

Q15:   How many Road Helmets are in unrestricted stock:---------- -

Q16:   How many Repair Kits are in unrestricted stock: --------------

Q17:   How many Off Road Helmets are in unrestricted stock:--------

Q18:   How many Knee Pads are in unrestricted stock:---------- -----

Refer to the previous exercise for instructions on how to review your customer's accounts receivable balance. After you review the customer's balances, answer the following questions.

Q19:   What is the DC Bike's debit balance: --------------------------

Step 4: Create Sales Order with Reference to a Quotation

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

You can now create a sales order by referencing the quotation we created in Step 2. If necessary, you can add or delete line items and change quantities.

Step 4.1:   Navigate to the transaction to create sales order:

Navigation

Logistics ➔ SalesandDistribution → Sales → Order → Create

Q20:   What is the transaction code to create a Sales Order:

Q21:   What is the transaction code to change a Sales Order:

Q22:   What is the transaction code to view a Sales Order:

Step 4.2:   In the *"Create Sales Order: Initial Screen"* enter the following information:

Field Name	Data Entry
Order Type	Standard Order (OR)
Sales Organization	US East
Distribution channel	Wholesale
Division	Accessories

Click on the [Create with reference] button. Enter the number of the quotation created in Step 2 in the text box by "Quot."

Select [✓ Copy]. The system copies the details of the quotation into the Sales Order.

Field Name	Data Entry
Req. Deliv. Date	One week from now
PO number	Enter external PO # preceded by your identifier from Step #3

➡ Verify details by looking over the Sales Order.

Q23: How much is the Net Value: --------------------------------

Q24: What is the value in the "Payment Terms" field: --------------

[💾] (SAVE). If the system complains about the default date, hit [✓] (ENTER) twice.

The system generates a document number for the Sales Order, which is displayed on the screen as "Standard Order _____ has been saved".

Q25: What is your Sales order number: ----------------------------

Review Order Status

Look at the Document Flow in VA23: Environment → Display Document Flow. This screen displays the current status of the order. Throughout the exercise, you will view the document flow to see how the status changes as we complete more of the process steps.

Q26: What is the quotation's current status: ----------------------

Refer to the previous exercise for instructions on how to review your material inventory balance. After you review this inventory, answer the following questions.

Q27:   How many Elbow Pads are in unrestricted stock: -------------

Q28:   How many Road Helmets are in unrestricted stock: ----------

Q29:   How many Repair Kits are in unrestricted stock: -------------

Q30:   How many Off Road Helmets are in unrestricted stock: -------

Q31:   How many Knee Pads are in unrestricted stock: -------------

Refer to the previous exercise for instructions on how to review your customer's accounts receivable balance. After you review the customer's balances, answer the following questions.

Q32:   What is DC Bike's debit balance: ----------------------------

Exercise Deliverables

In the System

☑ Creation of a sales order with reference to a quotation

On Paper

☑ Answers to the Questions

Step 5: Pick and pack material for the order

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

In this step you will pick and pack the order and prepare it for shipment.

Step 5.1:   Navigate to the transaction to prepare the shipment:

Navigation

Logistics → Sales and Distribution → Shipping and transportation → Outbound Delivery → Create → Single Document → With Reference to Sales Order

Q33:   What is the transaction code to Pick and Pack Materials: --------

Step 5.2:   In the *"Outbound Delivery Create: Overview"* screen, enter the following information:

Field Name	Data Entry
Shipping point	Miami Plant
Selection date	Seven days from today
Order	Order number of the sales (standard) order created above

(ENTER) The system automatically enters the items and quantities from the sales order that are scheduled to be delivered.

Enter the following information in the *"Picking Tab"* for each material:

Field Name	Data Entry
Plnt	Miami Plant
Sloc	Trading Goods
Picked Qty	Full order amount (although partial orders are allowed)

(SAVE)

    Q34:   What was your Outbound Delivery note number:

Review Order Status

Look at the Document Flow in VA23. Go to the top of the screen and choose Environment →
Display Document Flow. This screen shows the current status of the order. Throughout the
exercise, you will view the document flow to see how the status changes as we complete more of
the process steps.

    Q35:   What is the standard order's current status:

Refer to the previous exercise for instructions on how to review your material inventory balance.
Review the inventory, and answer the following questions.

    Q36:   How many Elbow Pads are in unrestricted stock:

    Q37:   How many Road Helmets are in unrestricted stock:

    Q38:   How many Repair Kits are in unrestricted stock:

    Q39:   How many Off Road Helmets are in unrestricted stock:

    Q40:   How many Knee Pads are in unrestricted stock:

Refer to the previous exercise for instructions on how to review your customer's accounts receivable
balance. After you review the customer's balances, answer the following questions.

    Q41:   What is DC Bike's debit balance:

Exercise Deliverables

In the System

☑ Outbound delivery

On Paper

☑ Answers to the Questions

Step 6: Post Goods Issue (Ship goods)

Creating the post goods issue (shipping) reduces unrestricted stock to reflect the quantity shipped. It also indicates a change in the ownership of the goods.

Step 6.1.   Navigate to the transaction to send the shipment:

Navigation

Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Change → Single Document

Q42:   What is the transaction code to Post the Goods Issue:

Step 6.2.   In the *"Change Outbound Delivery"* screen, enter the following information:

Field Name	Data Entry
Outbound Delivery	Enter the delivery note number from Step 5

(ENTER)

Select the Post Goods Issue button at the top. The system returns a message indicating a (saved) change to the delivery note.

(ENTER)

Review Order Status

Look at the Document Flow in VA23. Go to the top of the screen and choose Environment →
Display Document Flow. This screen shows the current status of the order. Throughout the
exercise, you will view the document flow to see how the status changes as we complete more of
the process steps.

Q43: What is the outbound delivery's current status:----------------- [   ]

Refer to the previous exercise for instructions on how to review your material inventory balance.
Review the inventory, and answer the following questions.

Q44: How many Elbow Pads are in unrestricted stock:-------------- [   ]

Q45: How many Road Helmets are in unrestricted stock:----------- [   ]

Q46: How many Repair Kits are in unrestricted stock:-------------- [   ]

Q47: How many Off Road Helmets are in unrestricted stock:-------- [   ]

Q48: How many Knee Pads are in unrestricted stock:-------------- [   ]

Refer to the previous exercise for instructions on how to review your customer's accounts receivable
balance. After you review the customer's balances, answer the following questions.

Q49: What is DC Bike's debit balance: ---------------------------- [   ]

Exercise Deliverables

In the System

☑ Goods issue was posted

On Paper

☑ Answer to the Questions

Step 7: Create & Send Invoice

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

Once the post goods issue has been generated, you can bill your customer for the shipped goods.

Step 7.1.   Navigate to the transaction to create & send the invoice:

Navigation

Logistics → Sales and Distribution → Billing → Billing Document → Create

> **Q50:**   What is the transaction code to create a billing document:----|⬚|

➡ The system should select by default the last delivery document you created.

Step 7.2.   Highlight the line that displays your delivery document by clicking on the square button to the left of the line.

🕐   (EXECUTE). The system displays the customer and the materials listed in the delivery document along with the total values to be billed.

💾   (SAVE). The billing document number is displayed at the bottom of the screen.

> **Q51:**   What was the document number for the Customer Invoice:----|⬚|

⬅   (BACK)

In the real world you would be mailing this invoice to your customer.

Review Order Status

Look at the Document Flow in VA23. Go to the top of the screen and choose Environment →
Display Document Flow. This screen shows the current status of the order. Throughout the
exercise, you will view the document flow to see how the status changes as we complete more of
the process steps.

Q52: What is the Invoice's current status: --------------------------------

Refer to the previous exercise for instructions on how to review your material inventory balance.
Review the inventory, and answer the following questions.

Q53: How many Elbow Pads are in unrestricted stock: --------------

Q54: How many Road Helmets are in unrestricted stock:------------

Q55: How many Repair Kits are in unrestricted stock:--------------

Q56: How many Off Road Helmets are in unrestricted stock:---------

Q57: How many Knee Pads are in unrestricted stock:--------------

Refer to the previous exercise for instructions on how to review your customer's accounts receivable
balance. After you review the customer's balances, answer the following questions.

Q58: What is DC Bike's debit balance: -------------------------------

Exercise Deliverables

In the System

☑ Billing document was created

On Paper

☑ Answers to the Questions

Step 8: Receive Payment from the Customer

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

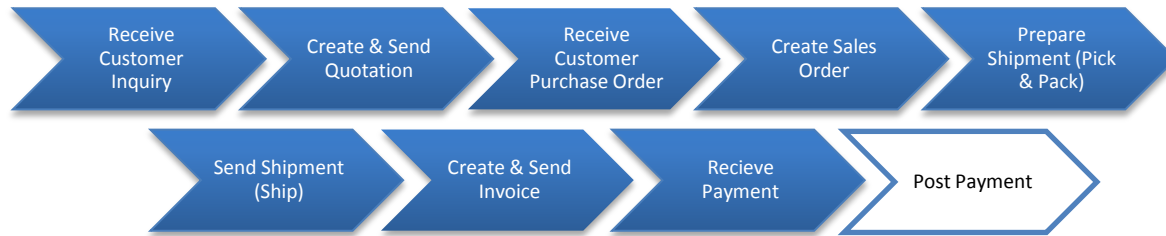| Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

This step has no SAP activity associated with it. You have now received a check from the customer:

> your FRIENDLY LOCAL BANK
> 123 Main Street.   Date _____/_____/_____
> Anywhere, MI 48710   No. 1357
>
> Pay to the order of   Global Bikes Inc. _____ ✎ |_____|_____|

The check has been signed by the Accounts Payable manager for DC Bikes. When you receive this check, you must post the payment in GBI's accounting records. This is done in the next step.

➡ Before going on to the next step, fill in the appropriate amount for this check in the diagram above.

Step 9: Post the Customer Payment

Receive Customer Inquiry	Create & Send Quotation	Receive Customer Purchase Order	Create Sales Order	Prepare Shipment (Pick & Pack)

Send Shipment (Ship)	Create & Send Invoice	Recieve Payment	Post Payment

Your customer has received his/her invoice and sent you its payment. The payment will be posted to the company's G/L account.

Common Problems/Issues

Not entering the correct amount	Make sure the correct amount has been entered in the "Amount" field.
"Not Assigned" field's value should be zero dollars "0.00."	If Not Assigned is not 0.00, then click on $$ amount under the USD Gross column.

Step 9.1   Navigate to the transaction to display material master:

Navigation

Accounting → Financial Accounting → Accounts Receivable → Document Entry → Incoming Payments

Q59:   What is the transaction code to receive customer payment: ┄┄⌐_____|

Step 9.2   In the *"Post Incoming Payments: Header Data"* screen, enter the following:

Field Name	Data Entry
Document date	Today's date
Company code	US00

Enter the following information under *"Bank data":*

Field Name	Data Entry
Account	Code for Bank Account
Amount	Enter the amount of the payment

Go to "Account Field" First click Browse , and then click Check using your ### identifier as a search term.

"Open Item Selection":

Field Name	Data Entry
Account	Your DC Bikes Customer Number

Select

In this step you must double-click on the "USD Gross amount" entries that apply ONLY to your own invoice/document number, until the "Not Assigned" dollar value at the bottom of the screen

=equals 0.00.

Posting periods must be current to post in this transaction. If the "Not Assigned" dollar value is already zero, then you can click on (SAVE)

Review Order Status

Look at the Document Flow in VA23. Go to the top of the screen and choose Environment → Display Document Flow. This screen shows the current status of the order. Throughout the exercise, you will view the document flow to see how the status changes as we complete more of the process steps.

Q60:   What is the Accounting Document's current status:----------- [   ]

Refer to the previous exercise for instructions on how to review your material inventory balance. Review the inventory, and answer the following questions.

Q61: How many Elbow Pads are in unrestricted stock:

Q62: How many Road Helmets are in unrestricted stock:

Q63: How many Repair Kits are in unrestricted stock:

Q64: How many Off road Helmets are in unrestricted stock:

Q65: How many Knee Pads are in unrestricted stock:

Refer to the previous exercise for instructions on how to review your customer's accounts receivable balance. After you review the customer's balances, answer the following questions.

Q66: What is DC Bike's debit balance:

Q67: What is the balance of DC Bike's account:

Exercise Deliverables

In the System

☑ Customer payment was posted

On Paper

☑ Answers to the Questions

Attachment 1: Exercise Work Sheet

Name(s): ----------------------------

Course & Selection: ---------

Identifier: ----------------------

Client: -------------------------

Material In Unrestricted Stock:							
	After Sending Quote	After Receiving Purchase Order	After Creating Sales Order	After Preparing Shipment	After Sending Shipment	After Creating Invoice	After Receiving Payment
Your Elbow Pads							
Your Road Helmets							
Your Repair Kits							
Your Off Road Helmets							
Your Knee Pads							

Q1:   What is the transaction code to create a new Quotation:

Q2:   What is the transaction code to change an existing Quotation:

Q3:   What is the transaction code to display an existing Quotation:

Q4:   What was your quotation number:

Q5:   What is the quotation's current status:

Q6:   How many Elbow Pads are in unrestricted stock:

Q7:   How many Road Helmets are in unrestricted stock:

Q8:   How many Repair Kits are in unrestricted stock:

Q9:   How many Off Road Helmets are in unrestricted stock:

Q10: How many Knee Pads are in unrestricted stock:

Q11: What is the customer number for DC Bikes:

Q12: What is DC Bike's debit balance:

Q13: What is the quotation's current status:

Q14: How many Elbow Pads are in unrestricted stock:

Q15: How many Road Helmets are in unrestricted stock:

Q16: How many Repair Kits are in unrestricted stock:

Q17: How many Off Road Helmets are in unrestricted stock:

Q18: How many Knee Pads are in unrestricted stock:

Q19: What is DC Bike's debit balance:

Q20: What is the transaction code to create a Sales Order:

Q21: What is the transaction code to change a Sales Order:

Q22: What is the transaction code to view a Sales Order:

Q23:   How much is the Net Value:

Q24: What is the value in the "Payment Terms" field:

Q25: What is your Sales order number:

Q26: What is the quotation's current status:

Q27: How many Elbow Pads are in unrestricted stock:

Q28: How many Road Helmets are in unrestricted stock:

Q29: How many Repair Kits are in unrestricted stock:

Q30: How many Off Road Helmets are in unrestricted stock:

Q31: How many Knee Pads are in unrestricted stock:

Q32: What is DC Bike's debit balance:

Q33: What is the transaction code to Pick and Pack Materials:

Q34: What was your Outbound Delivery note number:

Q35: What is the standard order's current status:

Q36: How many Elbow Pads are in unrestricted stock:

Q37: How many Road Helmets are in unrestricted stock:

Q38: How many Repair Kits are in unrestricted stock:

Q39: How many Off Road Helmets are in unrestricted stock:

Q40: How many Knee Pads are in unrestricted stock:

Q41: What is DC Bike's debit balance:

Q42: What is the transaction code to Post the Goods Issue:

Q43: What is the outbound delivery's current status:

Q44: How many Elbow Pads are in unrestricted stock:

Q45: How many Road Helmets are in unrestricted stock:

Q46: How many Repair Kits are in unrestricted stock:

Q47: How many Off Road Helmets are in unrestricted stock:

Q48:   How many Knee Pads are in unrestricted stock:

Q49:   What is DC Bike's debit balance:

Q50:   What is the transaction code to create a billing document:

Q51:   What was the document number for Customer Invoice:

Q52:   What is the Invoice's current status:

Q53:   How many Elbow Pads are in unrestricted stock:

Q54:   How many Road Helmets are in unrestricted stock:

Q55:   How many Repair Kits are in unrestricted stock:

Q56:   How many Off Road Helmets are in unrestricted stock:

Q57:   How many Knee Pads are in unrestricted stock:

Q58:   What is DC Bike's debit balance:

Q59:   What is the transaction code to receive customer payment:

Q60:   What is the Accounting Document's current status:

Q61:   How many Elbow Pads are in unrestricted stock:

Q62:   How many Road Helmets are in unrestricted stock:

Q63:   How many Repair Kits are in unrestricted stock:

Q64:   How many Off road Helmets are in unrestricted stock:

Q65:   How many Knee Pads are in unrestricted stock:

Q66:   What is DC Bike's debit balance:

Q67:   What is the balance of DC Bike's account: