SAP Solution in Detail

SAP® BUSINESS ONE EXTENDS EFFICIENCY TO SMALL AND MIDSIZE COMPANIES

THE BEST-RUN BUSINESSES RUN SAP

CONTENTS

EXECUTIVE SUMMARY

To survive in today's tightly networked business environment, small and midsize companies seek to access the IT economies traditionally limited – by price and design – to large corporations. SAP provides this access by combining a full range of business functions in one simple, affordable, integrated solution: SAP® Business One. Easy to use and customize, and backed by the world's premier provider of global enterprise solutions, SAP Business One opens competitive opportunities to smaller businesses, today and tomorrow.

PROBLEM: TRADITIONAL ENTERPRISE SOFTWARE TOO EXPENSIVE

In today's dynamic business environment, companies can no longer function without effective IT systems. Businesses of all sizes are increasingly dependent on information technology to ensure efficient operations and a competitive advantage.

Just like large corporations, small and midsize businesses need integrated enterprise resource planning (ERP) software to help them achieve their defined business goals effectively – software they can count on now and in the future.

To be effective for small and midsize businesses, ERP software must meet a wide range of requirements and expectations. For example, it must be capable of rapid implementation, offer sufficient functional scope, and provide adequate integration between individual application components. It must also be affordable, easy to use, and compatible with future technology updates. Finally, it must employ the latest technologies (including the Internet), support current standards, and come with on-site support – from a competent, market-savvy, and experienced IT service partner – for deployment, maintenance, and training.

SOLUTION: SAP® BUSINESS ONE

SAP® Business One is an integrated solution targeted specifically towards small and midsize businesses. It not only provides fast, simple access to all enterprise information, but also supplies the reports and documents needed for decision making in all areas of your company. With little more than the touch of a button, you have a beneficial instrument for the effective, profitable support of daily operations – in sales, purchasing, accounting, and beyond. SAP Business One supplies critical information for successful enterprise management.

It satisfies another important demand as well: It protects your investments by providing a future-proof enterprise solution.

SHORT IMPLEMENTATION ENSURES RAPID DEPLOYMENT

SAP Business One can be implemented rapidly. Implementation times range from just a few days to several weeks, depending on the complexity of the underlying business transactions. The simplicity of implementation is guaranteed by the structure and design of the solution itself, which takes advantage of SAP data migration specialties such as data import Application Programming Interfaces (API), charter account import, utilities, and the ability to use Extensible Markup Language (XML).

In addition, clearly documented implementation steps and deployment procedures build on the technology advances to minimize development efforts during installation. SAP Business One is implemented by trained local SAP Business Partners who have decades of experience implementing systems for small and midsize businesses – and it is backed by 30 years of SAP experience.

INNOVATIVE FEATURES STREAMLINE PROCESSES

SAP Business One provides all the functions and properties required in an effective, innovative, growth-oriented solution. Additionally, it meets the high standards of SAP, which will continue to drive its development, focused on customer requirements.

Major features of the solution include:

- **User-friendly interface, intelligent data**
  Easy to operate, SAP Business One streamlines work tasks. An innovative Drag&Relate™ feature lets you execute business queries intuitively. For example, from the order screen you can drill down to your customer data, find the opportunities with one mouse click, and with Drag&Relate generate analysis reports for basically all data on a screen (see Figure 1). This way you can find the background information you need to make faster, more effective business decisions.
- **Workflow-based alert functions**
  Every SAP Business One user can configure a variety of alert functions for exceptional events – as reminders, for approval processes, to send documents to another user, and so on. The solution automatically sends messages to the responsible employee in accordance with the configured settings. These actions can be triggered by the alert functions in the solution as well as through e-mail, fax, and short message service (SMS) functions.

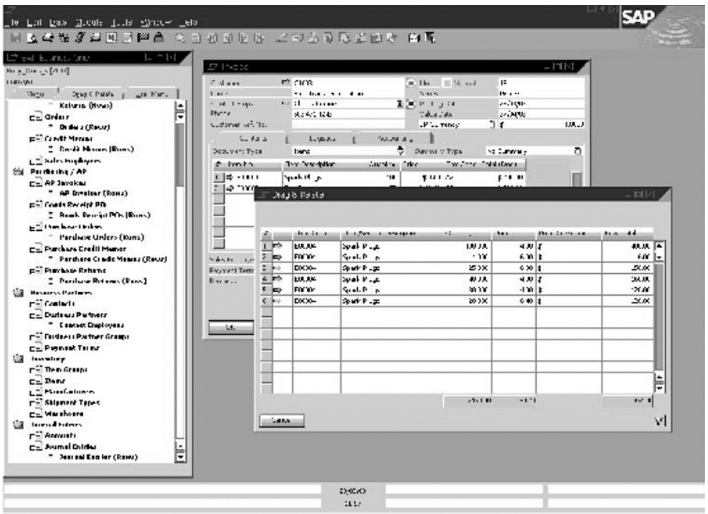

Figure 1: With Drag&Relate functionality, users can generate customized reports in seconds.

- **Flexible wizard for report queries**
  In addition to the wide range of standard reports supplied, you can use the solution's intuitive Query Wizard to compile information from all areas for customer-specific reports. Practically every type of analysis is supported.
- **Seamless integration with Microsoft Office**
  SAP Business One operates in a homogenous Windows environment with its familiar, standard user interfaces and functions. This ensures the solution is easy to use. For example, you can convert a report into a personalized letter or an Excel worksheet and send it by e-mail with a single click of the mouse.
- **Company-specific document templates**
  Every document template in the SAP solution can be customized for your company. The customer elements you select – such as data, product images, costs, subtotals, and so on – can be formatted in appealing documents.
- **Support for foreign currencies and languages**
  SAP Business One accounting functions support the simultaneous handling of all postings in three currencies: the local currency, the transaction currency, and the system currency. You can generate reports in any international currency with ease. The solution also supports multiple languages and allows users to select their personal interface language and change it at any time.
- **Internal sales force automation (SFA) functions**
  Embedded SFA functionality enables you to manage sales opportunities, view the opportunities pipeline, and manage activities with customers. You have full visibility of customer information – including gross profit and inventory levels. After a short learning curve, this information can help you optimize sales opportunities and increase your bottom line.
- **Standard interfaces to ensure comprehensive integration**
  SAP Business One functions as the central operations application, incorporating standard interfaces to internal and external data sources. These interfaces include handheld devices, Internet sales applications, and third-party analysis programs.
- **User-field updates and "on the fly" changes**
  The flexible solution can easily be adapted to customer needs. An integrated, user-friendly field management system lets you add fields to existing forms. You can also link drop-down boxes, analyses, and processes to nearly any valid field. And with the same tools you can add additional tables to enhance the functionality of SAP Business One.

  SAP understands that real-time systems require immediate updates and changes, and that users must be able to add tables and fields on the fly. That's why all changes that are made within SAP Business One go into effect instantaneously – and the most frequently requested changes can easily be defined by users who have no technical training. This is a big improvement over competitive solutions that supply updates only in batches.
- **Comprehensive software development kit (SDK) to ensure no-hassle upgrades**
  For more complex technical customization, developers have access to a simple, yet powerful SDK. Built on proven industry standards familiar to software developers, the SDK in SAP Business One provides full access to the solution's functionality with two levels of integration:
  – Data Interface Application Programming Interface (DI-API), a business layer that is independent of the SAP Business One client, yet contains the exact same business logic
  – User Interface Application Programming Interface (UI-API), which allows developers to create new windows, modify existing windows, respond to UI events, and more

Based on the skills of your team, the SDK allows developers to use any COM or .NET language – or Java – for technical customization. And because SAP recognizes that technology and business needs evolve, it has built the SDK to ensure a smooth upgrade path for enhancements without the need to "recode" customization.

ARCHITECTURE

BUILT FOR FLEXIBILITY, SCALABILITY, AND POWER

SAP Business One is a fully integrated solution with a single, intuitive look and feel across all functions. Its streamlined architecture enables it to leverage the MS SQL Server database, resulting in a powerful solution that is easy to maintain and administer.

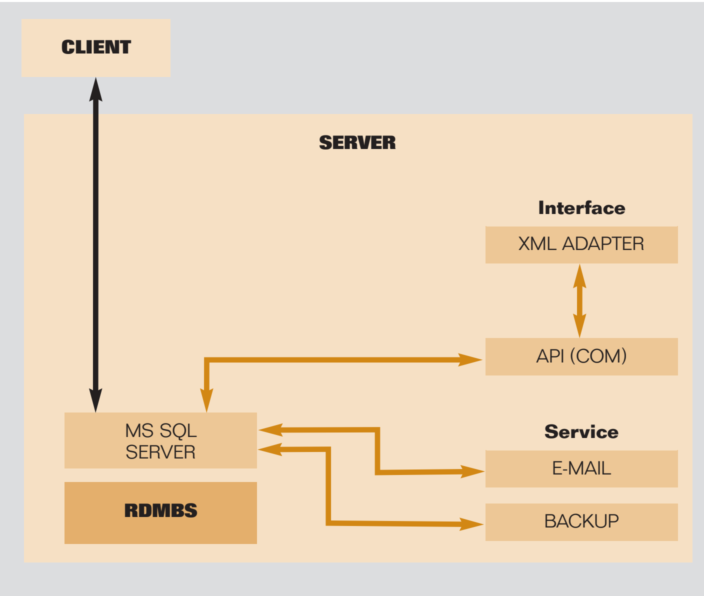

Figure 2: A single-server environment makes SAP Business One easy to administer, maintain, and integrate with other solutions.

The SAP Business One application resides on a single server integrating seamlessly to your Windows NT network. Using a Win 32-based, two-tier client-server architecture (see Figure 2), SAP Business One secures peak performance for users. Optimized for the MS SQL Server, it leverages your existing network for maximum efficiency. It includes security, backup, and network access protocols. Access is granted via wide area network (WAN) terminal services or dial-up network connectivity.

In the SAP Business One environment, you can use your standard database backup procedures, and you can easily save and transfer the database to another machine offering immediate access to critical business information.

To keep maintenance simple, the security model works as a functional model. The administrator can view a list of all functions for each module and specify which type of access users have to these functions – read, write, or both.

All components are based on SAP's underlying philosophy that a solution must function and respond naturally to your needs. It cannot be artificial, imposed, and hard to learn. Because SAP Business One and its components are based on user logic, training requirements are minimal and adoption is rapid. Its intuitive nature and ease of use are readily demonstrated as follows:

- Modular design allows components to "talk" to each other using an API for improved adaptability. The design includes items that simplify user interaction, such as tax and distribution calculators.
- Reconciliation, both internal and external, is easily accomplished with exception reporting – saving significant amounts of time when you are closing the books and preparing reports.
- The banking system is especially flexible at working out how your staff thinks. And the solution supports actions around bank transactions in an efficient manner. You can open your mail, put a check in a pile to be posted, then later in the day deposit it in the bank. By using two separate postings – "cleared" and "take away outstanding balance" – you can track exactly what has been done with the check.
- Similar flexibility can be seen when setting up a quotation: You can make a delivery note with a customer number (and invoices) without knowing the customer ID number.

FUNCTIONS AND PROPERTIES

OVERVIEW OF FUNCTIONAL AREAS

SAP Business One is equipped with an easy-to-use interface and serves as the company's main ERP application via numerous standard interfaces. The result is a comprehensive and versatile enterprise management tool.

The solution provides all the administrative functions that let you customize and back up data, define currency exchange rates, configure permissions and alerts, and access information from non-SAP software. In addition, it comprises 11 modules that help extend its capabilities far beyond its primary administrative function and enable it to streamline your entire business process. These modules include:

- **Financial Accounting** – Handles all your financial transactions including general ledger, account setup and maintenance, journal entries, foreign currency adjustments, and budgets
- **Sales and Distribution** – Helps you create price quotes, enter customer orders, set up deliveries, update stock balances, and manage all invoices and accounts receivables
- **Purchasing** – Manages and maintains vendor contracts and transactions such as issuing purchase orders, updating in-stock numbers, calculating the value of imported items, handling returns and credits, and processing payments
- **Business Partners** – Controls all the information on your customers, resellers, and vendors including profiles, contact summary, account balances, and sales pipeline analysis
- **Bank Transactions** – Takes care of all your financial processing such as cash receipts, check writing, deposits, advance payments, credit-card payments, and bank reconciliation
- **Warehouse Management** – Handles inventory levels, item management, price lists, special price agreements, transfers between warehouses, and stock transactions
- **Final Assembly** – Delivers production tools that define multilevel bills of materials (BOM) and create work orders while enabling you to verify and report on product and material availability
- **Controlling** – Lets you define profit centers and overhead absorption factors as well as generate profit-and-loss reports for each center
- **Reporting** – Creates powerful reports for nearly every aspect of your enterprise including customer and supplier debt, sales, cash flow, customer-contact summaries, bookkeeping, warehouse stock, financial statements, pricing, customer activity, and more (via predefined reports or define-it-yourself queries)
- **Service Management** – Optimizes the potential of your service departments, providing support for service operations, service contract management, service planning, tracking of customer interaction activities, customer support, and management of sales opportunities
- **Employee Profiles** – Provides staff management capabilities including employee details, contact information, and presence reports

The administration module is detailed in the following section. For a detailed review of the other modules, see Appendix.

CONFIGURATION OF THE SOLUTION

ADMINISTRATION

SAP Business One lets you configure the basic system settings for all components. This includes defining exchange rates; initializing the system; setting authorization parameters; creating internal mail, e-mail, and SMS settings; and configuring data import/export functions.

The key functions controlled by the solution's administration module are:

- Company selection (various basic settings)
- System initialization and general preferences (company data and general settings)
- User definitions (currencies, terms of payment)
- Authorizations (access protection, change privileges)
- Definition of exchange rates (basis for all reports and recorded data)
- Utilities (back up data, copy data from one year to the next, define automated processes)
- Data import/export
- Recovery (data administration/data recovery)
- Alert functions (personal profile definition for warning messages)
- Send message (internal user, customer, vendor, and so on)

USER-DEFINED FIELDS

In SAP Business One you can define your own fields for all objects including items, business partners, and orders. This enables you to manage the typical information required for many different business activities. You can also select user-defined fields to enter various types of information – texts, addresses, phone numbers, URLs, file attachments, images, drop-down lists, and more.

FORMATTED SEARCHES

The formatted search ensures that values from a predefined search process are recorded for each field in the system (including user-defined fields).

Possible uses for the formatted search (selection) include:

- Automatic entry of values in fields, based on the use of different objects in the system
- Entry of values in fields, based on predefined lists
- Automatic entry of values in fields, based on predefined queries (user-defined)
- Definition of dependencies between system fields – for example, the value in field X is dependent on the value in field Y
- Display fields that can only be used for queries – for example, user signature, creation date, and balance of open checks (for a business partner)

DYNAMIC ENHANCEMENT OPTIONS

ENHANCEMENT VIA APPLICATION PROGRAMMING INTERFACES (API)

SAP Business One is sold as a robust base system with powerful core functionality that includes the primary processes for a company and the specific legal requirements for use in any given country. APIs enable you to use this base system with industry-specific functions – and to adapt existing functions to your needs.

The base system is equipped with a programming API that is based on COM technology. You can use this API to enhance the functional scope of the solution or adapt it to your specific requirements. The available COM objects can be edited with programming languages such as Visual Basic, C/C++, and Java. Two different APIs are available: one for data interfaces and one for editing the user interface.

DATA INTERFACE: CENTER FOR OBJECT EXCHANGE

The data API applies the objects and procedures you use to read and process the most important data objects in SAP Business One. Here you can access both master and transaction data, along with a variety of general objects. Among the objects and procedures supplied by the data API are the following:

- **DBConnection** – establishes a connection to an SQL server
- **Company** – represents an enterprise database
- **RecordSet** – contains SQL data (and its DoQuery function can be used to start SQL queries and presaved processes)
- **SBObob** – helps you find valuable information quickly and easily
- **Message** – enables you to send a message to another SAP Business One user along with file attachments and links
- **UserFields** – contains a collection of all user-defined fields
- **Field** – used to process field data
- **Items** – represents the master data record for a product
- **BusinessPartner** – contains the master data record of a customer or vendor
- **ProductTrees** – represents the header of a BOM
- **ProductTrees_Lines** – represents the individual materials that are assigned to a BOM
- **Documents** – represents the header line of a sales or purchasing document
- **Documents_Lines** – contains the individual items that are assigned to a sales or purchasing document
- **JournalEntries** – represents journal entries

ACCESS TO THE USER INTERFACE

This API supplies objects and procedures that you can use to access input fields/check boxes, internal system events, and much more. Here are some examples of objects and procedures the user interface includes:

- **Application** – establishes the connection to the SAP Business One application
- **Form** – represents a window within the SAP Business One module
- **Item** – enables you to process dialog boxes (and alter their contents as well as their position, size, or visibility)
- **Check Box** – lets you process check boxes
- **Matrix** – stands for a table in a window
- **ItemEvent** – used to process events
- **MenuItem** – activates individual menu items
- **MenuEvent** – lets you influence an event process

OPTIONAL COMPONENTS

In addition to the basic solution, SAP offers a variety of additional components – such as Internet Sales – that you can use as extensions to SAP Business One.

MIGRATION PACKAGES

- **Legacy Data Transfer**
  During an implementation project, you have to load data – for products, orders, invoices, and journal entries, for example – from a legacy system. SAP has developed a user-friendly interface for importing data from flat files into SAP Business One.
- **Migration to mySAP™ Business Suite**
  Companies that use SAP Business One have a solution that grows itself to meet your increasing demands. SAP offers a migration path from SAP Business One to mySAP Business Suite that allows businesses to interface with parent companies or to support dramatic growth into thousands of employees.

INTERNET SALES

A comprehensive software solution for Internet sales – based on the J2EE Internet standard – is available for SAP Business One. It includes business-to-business and business-to-consumer components. Your Web shop and SAP Business One communicate seamlessly, exchanging data such as product catalogs, prices, and customer data. Orders are created directly in SAP Business One based on the user's shopping basket.

INTERFACES TO HR APPLICATIONS

SAP Business One lets you configure interfaces to human resources (HR) software solutions such as mySAP HR or other independent HR solutions.

You maintain your HR master data and payroll accounting transactions in the HR application. In addition to an open (XML) interface for financial accounting, SAP also offers a link with mySAP HR. SAP partners offer this connection as a hosting solution for SAP Business One customers. These partners can also establish links to third-party HR applications.

INTEGRATION WITH mySAP BUSINESS SUITE

Various features ensure seamless integration between mySAP Business Suite and SAP Business One. Thus you benefit from a standard, integrated SAP application environment.

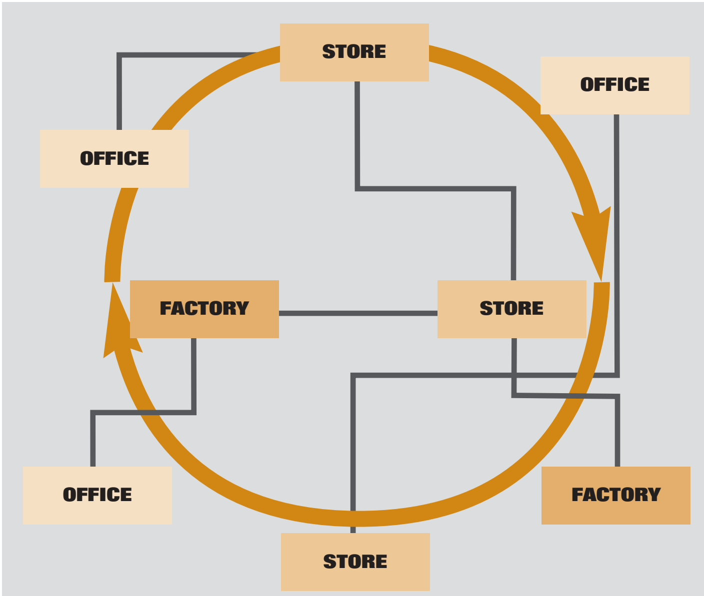

Figure 3: SAP Business One introduces a new paradigm: It views your entire organization as a single object, regardless of office location.

INTEGRATION SCENARIOS FOR SAP SYSTEM GROUPS

SAP Business One is the ideal solution for multinational corporations to use in their individual branches or subsidiaries. An integration package seamlessly links mySAP Business Suite, which is used at headquarters, with the SAP Business One systems installed remotely by the international subsidiaries, creating a seamlessly integrated system landscape (see Figure 3) based on SAP Business Information Warehouse (SAP BW), SAP Enterprise Portal, and SAP NetWeaver™ technology.

Data Consolidation with SAP BW

Managers of multinational corporations need – and will continue to need – integrated information systems that let them monitor the data from different production systems in order to make the best decisions. The answer to this enterprise requirement is a preconfigured solution that monitors data in SAP Business One and extracts it for reporting.

SAP provides international subsidiaries that use SAP Business One with both the necessary configuration package and the corresponding components for data access and data allocation.

mySAP Enterprise Portal

Accessing data via the mySAP Enterprise Portal enables you to integrate SAP Business One with mySAP Business Suite and external data sources as well as with other software solutions. Via the portal, you create a central point of access for all shared business activities and can make information available to employees, partners, and customers all over the world. The benefits?

- Centralized access to information, independent of the location of the data source (intranet or Internet)
- Integration of cross-company business processes
- Transparent, uniform access to solutions that enable both intracompany and intercompany cooperation
- High-level interaction technology: intelligent content staging, user-friendly point-and-click, timesaving Drag&Relate

Portal Content Functions

The business package for SAP Business One is equipped with portal content that enables you to configure a geographically widespread system landscape. Users can access information in one or more installations of SAP Business One.

In the initial release of the software, the portal content consists of:

- iViews that display information from SAP Business One and pages that contain iViews
- Pages that display SAP BW Web reports
- Work sets for structuring the provided pages

This portal provides a well-structured overview of information from various sources and offers direct or indirect access to different SAP Business One installations via SAP BW.

Defined User Roles

In their day-to-day work, employees at the international subsidiaries will generally use the standard graphical user interface (GUI) from SAP Business One rather than the mySAP Enterprise Portal.

If an enterprise portal is available within a global enterprise group, however, it can be used to provide system access for sales staff. With this approach, sales employees from the international subsidiaries can use an Internet browser to access SAP Business One remotely.

The business package for SAP Business One is aimed at users in the international subsidiaries of multinational corporations, who require information about the processes at these companies – all of which (or at least some of which) use SAP Business One.

These users also need:

- An initial screen that displays key figures, key performance indicators, or warning messages
- Functions for breaking down summarized information into details – and for enabling the Drag&Relate function to drag objects from a report/alert to components in the iPanel so that users can find additional information or start cross-company processes
- Information, especially from the financial accounting and sales areas

SYSTEM REQUIREMENTS

ENSURE LOW TOTAL COST OF OWNERSHIP

The solution's minimal system requirements keep total cost of ownership low and make administration and system maintenance straightforward and simple. The following table outlines the SAP Business One requirements:

	Server (minimum)	Client (minimum)
Operating System	Microsoft Windows 2000 Server/Advanced Server or Microsoft Windows NT 4.0 Server	Microsoft Windows NT 4.0 Workstation or Microsoft Windows 2000 Professional or Microsoft Windows XP
CPU	1x Intel Pentium III	1x Intel Pentium III
RAM Memory	512 MB	128 MB
HD Free Space	System Partition: 500 MB Data Partition: 2 GB	500 MB
CD ROM Drive	X24 or higher	X24 or higher
Display	640 X 480 with 256 bit colors or higher	800 X 600 with 24 bit colors or higher
Software	Microsoft IE 5.5 Microsoft Windows 2000/NT 4.0 Microsoft SQL Server 2000; port 1433* Microsoft Internet Information Services (IIS); port 80* Microsoft Data Access Components 2.6 (MDAC) *It is not necessary to register any ports.	Microsoft IE 5.5 Microsoft Windows NT/2000/XP Microsoft Data Access Components 2.6

Table 1: System requirements for SAP Business One.

AN IDEAL BUSINESS SOLUTION

SAP Business One levels the playing field between big businesses and smaller ones by providing a full range of business functions in one integrated solution – a solution priced for the small and midsize business market. Quickly implemented and easy to use and customize, it streamlines daily operations in administration, sales, purchasing, warehousing, accounting, and other areas. Through collaboration and an open architecture, it also provides fast, simple access to enterprise information, including all the reports and documents needed for effective decision making at every level of your company.

SAP Business One not only improves bottom-line efficiency, but also opens new, competitive business opportunities. Supported by the world's leading provider of global enterprise solutions, it is a solid investment for now and for the future.

To find out what SAP Business One can do for your business – and to learn more about it – visit us at **www.sap.com/smb**

APPENDIX – LIST OF FUNCTIONS

FINANCIAL ACCOUNTING

Accounting. SAP Business One features a chart-of-accounts template for every country. You can adapt the chart to your own business requirements as well as define individual charts of up to 10 segments if your reporting needs require it.

Journal entries. The solution lets you make new journal entries and search for existing ones. (Note: Most journal entries are posted automatically from the sales, purchasing, and banking areas.) You can also allocate each transaction to a project or a profit center automatically.

Document parking. Manual journal entries can be parked for preliminary stacking or processing, which lets you verify and correct postings before they are entered in the general ledger.

Account templates. The ability to define account assignment models helps you save time and avoid mistakes during the manual posting of journal entries.

Reversing journals. The solution enables you to reverse month-end accruals postings automatically. By default, reversal of specified postings will occur on the first day of the following calendar month, but if necessary, you can specify a different reversing date for each posting.

Recurring postings. You can define your own postings for regular execution in accounting – and specify a frequency for each recurring posting. (In this case, the solution automatically reminds you to enter these postings.)

Posting journal. This report groups all the journal entries together.

1099 processing. SAP Business One can record 1099 form and box information for each appropriate vendor payment. This information can be edited right up until time of submission. Beginning balances can be entered for information brought in from other systems partway through the year, and the appropriate 1099 information can be output at year's end for submission to the relevant authorities.

Exchange rate differences. The solution lets you periodically valuate your open items in foreign currencies then identify differences and choose the appropriate correction transaction.

Balance sheet test report. Use this report to display and print account balances and transactions. You can display any financial report in any defined currency and with any degree of detail. Different views are available for each financial report: quarterly or monthly results, by profit center, by project, and so on.

Profit-and-loss statement. This report identifies revenues and expenses in accordance with the legal requirements of the selected country. You can use the statement – as well as every other financial report – to compare financial data between different accounting periods.

Balance sheet. This report identifies assets and liabilities in accordance with the configured country's legal requirements.

Comparative reports. All of the above reports can also be run as comparisons (months, quarters, years, or any other period).

Budget reports. Use these reports to define and manage budgets. You can configure budget allocation methods, define budget figures in any currency (local, foreign, or both), and display a summarized budget report that compares the actual figures with the planned figures. You can also define an online alert that lets the user know whenever a transaction exceeds the monthly or annual budget limit.

Financial report templates. You can quickly and easily generate any number of financial report templates. This form lets you create templates for any purpose (such as additional profit-and-loss statements).

SALES AND DISTRIBUTION

Quotation. The solution makes it easy to calculate a customer quotation. You simply determine the gross profit for a quotation, for the inventory (total or by warehouse), and for the separate customer balance – or display the last prices that were offered to a specific customer for an item in this price range. Once you create a quotation, you can export it to Microsoft Word with a click of the mouse, as you would any other document.

Order. The solution also expedites order entry and lets you determine if ordered items can be placed on back order or if partial delivery of an order is allowed. Multiple dates – for request, delivery, cancel – can be specified for each order.

Pick/Pack. Each order goes through a process within the warehouse. After the order is confirmed it goes through the stages of "in-picking," "picked," and "packed," allowing users to see at all times where an individual order is located in the system.

Delivery. This function enables you to transfer the purchased goods to the customer. It does not involve invoicing but it does automatically update warehouse inventory quantities.

Link sales orders to purchase orders. With SAP Business One, you can raise a related purchase order when preparing a customer sales order, thus ensuring that the appropriate level of goods are in the warehouse on the required shipping date.

Returns. You enter customer returns as goods receipts.

Invoice. The invoice is the most important sales document. It automatically creates a corresponding journal entry. As a result, you can output an automatic receipt if the customer pays part of the invoice immediately.

Sales tax. It is important that you charge your customers the appropriate level of tax wherever they are located. Multiple tax codes, made up of the appropriate federal, state, county, and local tax rates, can be created and applied appropriately to each line item in a sales invoice. Tax is tracked at the tax jurisdiction level in the accounting system, allowing for the correct recording and reporting of the tax due to each jurisdiction.

Invoice and payment. The solution lets you create an invoice and receipt in one step, using the same document.

Credit memo. When creating a credit memo for the customer – for example, for returned merchandise – you can easily import the required data from the original invoice, as you do with any other sales and purchasing document.

Reserve invoice. You use this type of invoice if you need to output the document without changing the warehouse balance.

Printing. Use this function to print any sales and purchasing documents. You can select by period, document number, or document type.

Document summary. This user-friendly wizard enables you to group together all existing sales documents for a given customer in a single invoice. The wizard is especially helpful to those who output a variety of orders and delivery notes over the course of the month but need a summarized invoice for each customer at the end of the month.

List of parked documents. With this capability you can print, edit, and manage all documents that have been saved as drafts.

PURCHASING

Purchase order. SAP Business One lets you order materials or services from vendors. These orders update the available quantity of the ordered items and inform the warehouse manager of the expected delivery date.

Delivery for purchase order. This function comes in handy when a delivery is received at the warehouse and you have to change the actual inventory quantity as a result. It does not change the vendor balance.

Split purchase order. You can split a single purchase order into multiple parts when, for example, items need to be shipped to multiple warehouses. The split or revisions are required so that different packing slips and delivery notes can be created for each shipment.

Multiple shipping addresses. Each line item within a purchase order or an account payable (AP) voucher can be shipped to or specified as a different warehouse location.

Returns. This is the area where you enter returns to vendors.

AP invoice. When you process vendor invoices, a journal entry is created at the same time. You can use this information to process subsequent payments to the vendor.

Credit memo. Through this function, the solution lets you issue a credit memo to the vendor for returned merchandise. The required data can easily be imported from the original invoice, as it is with any other sales and purchasing document.

Import data. SAP Business One enables you to calculate the purchase price of imported merchandise. You can allocate the various cost and revenue elements (freight, insurance, customs duties, and so forth) to the FOB costs of each item, updating its actual warehouse value.

Posting journal. This is the area where all journal entries are displayed. You can sort them by various periods.

Printing. Use this function to print all sales and purchasing documents. You can select by period, document number, or document type.

BUSINESS PARTNERS

All critical information on customers and vendors – address, preferences, sales employees, credit terms – is entered in the business partner module. Here you can define an unlimited number of contact persons for each business partner, along with their phone numbers, e-mail addresses, and other important data. You can also enter a customer contact or vendor name and send e-mail or SMS messages. All relevant associated data – customer sales reports, detailed balances, and so on – can also be displayed. As with all other functions, you can use search methods such as “Starts with,” “Contains,” and “Greater than,” to find the appropriate items. The module includes the following functions:

Definitions. You can define the names of customer and vendor groups as well as their attributes – then use these groups to combine customer and vendor reports with one another.

Contacts with business partners. The solution lets you document a phone conversation or any type of meeting or activity with customers or vendors – and to attach system documents and other receipts to a contact. The contact then becomes part of the customer or vendor data.

Opening balances. This function lets you enter opening account balances for customers and vendors. It is especially helpful for new users who have to migrate data from another accounting application.

Contact overview. This report enables you to sort all open contacts by date, and with reference to the current day or week. You can complete current activities and contacts as well as close activities and contacts that you already have completed.

Opportunity. The solution lets you record every sales opportunity, from the first phone call to the successful close of a transaction. You can enter various details concerning the opportunity, including the source, potential, closing date, competitors, and activities. As soon as you create the first relevant quotation, you can link it with the opportunity to simplify later tracking and analysis.

Opportunity analysis. You can perform an opportunity analysis from three different perspectives: by customer, by item, and by sales employee. And you can combine the perspectives with one another to achieve even further detail (for example, a specific sales employee offers an item with profit potential). The report automatically creates charts to illustrate the data visually. You can display every report in any degree of detail – from the most general (opportunities by customer group, for example) to the very specific (an opportunity for a specific customer).

Opportunities pipeline. This report lets you generate a dynamic opportunity overview of all sales steps, from lead to order, in a funnel chart. You can click the mouse on any element to display a detailed report for each level. Other graphics functions are available to illustrate the sales process. For example, the solution can display the most important 10 to 30 opportunities, with all details, from inception to closing. This report makes it much easier to spot trends and buying patterns.

BANK TRANSACTIONS

Incoming payments. With this function the solution helps you record all incoming payments – checks, credit-card payments, cash, and bank transfers. You can also allocate payments to open invoices in order to simplify the payment receipt process. When you create a payment, the general ledger is updated automatically.

Outgoing payments. An outgoing payments function lets you define payments to vendors. You can allocate payments to open vendor invoices as well as initiate the automatic issue of checks to vendors.

Payment run. This feature saves time by allowing you to specify a whole range of vendors that need to be paid at once according to a series of user-defined criteria such as invoice due date, discount due date, range of vendors, and so on. Once the list is completed, all selected vendor records will have payments generated appropriately.

Voiding checks. This feature allows you to reverse an entire payment posting and start again with the correct information. It is useful when a payment run encounters unforeseen circumstances (such as a printer jamming) that results in the recorded data differing from the information actually printed on the checks.

Deposits. Through this function the solution lets you record cash payments, credit-card payments, and check deposits. For deposits, a list of all checks is displayed and you choose the ones you want to deposit. Credit-card payments can be deposited automatically, depending on your agreement with the credit-card vendors.

Postdated check deposit. The solution displays postdated checks that have to be deposited today. You can initiate the deposit directly.

Check management. You can manage all check data easily as well as endorse or cancel individual checks.

Credit-card management. You can also manage all credit-card data easily as well as endorse or cancel a credit-card document.

Postdated credit-card deposit. The solution displays postdated credit-card payments that have to be deposited today. You can initiate the deposit directly.

Bank statements and reconciliation. The solution supports an effective reconciliation module that enables fully automatic reconciliation. You can reconcile credit and debit transactions with one another as a means of reconciling any general ledger account or comparing your cashbook data with the bank's data.

Reconciliation wizard. This SAP Business One wizard can save your bookkeeper from hours or even days of work. Once you have defined the reconciliation parameters, the solution uses a sophisticated algorithm to calculate the correct reconciliation automatically.

WAREHOUSE MANAGEMENT

This module enables you to manage all item and warehouse data in one central location. You can enter information such as the item name and number, bar code, trademark, dimensions, prices, and even images. You can also check the item stocks, order quantities, and sales analyses – all within the same screen. The module includes the following functions:

Definitions. Here you can define the names of the item groups as well as the names of the item attributes. You can then define any combinations of these groups in the corresponding item reports. You can also define warehouses, trademarks, dimensions, delivery types, and more, including customer- or vendor-specific catalog numbers for individual items. This enables you to manage the same item from different vendors, even if it has different vendor catalog numbers.

Item query. Using this function you can quickly retrieve the details for an item.

Drop ship. Sometimes a customer needs an item shipped immediately but you don't have it in stock. This feature allows the item to be shipped directly from vendor to customer via a special "drop ship" warehouse, which enables you to keep control of the postings throughout your system.

Price list. You can define any number of price lists and link them with customers or vendors. In addition, you can create dynamic links between price lists quickly and easily – and update the links automatically whenever the primary price list changes.

Special prices. You can define special prices for individual customers or vendors. You can also define quantity-specific prices that depend on the order volume and define a validity period for each price list, which is adjusted automatically whenever the data changes. You can even define discounts based on different terms of payment.

Substitute items. This feature allows you to create a list of items that can be suggested to the customer as alternatives if the required item is not available. Substitutes can be ranked based on similarity of item, price, or quantity.

Goods receipt and goods issue. These two functions enable you to record goods receipts and issues that are not directly related to a sales or purchasing document.

Inventory transfer. If more than one warehouse has been defined, you can enter all warehouse inventory transfers here.

Cycle counting system. In large warehouses, counting stock is often a constant process. This function streamlines the process by identifying when each item in stock is due to be counted. The alerts and reports produced help ensure that items of different levels of importance are counted as frequently as required.

Inventory/stock posting. Via this function, the solution performs these critical activities:
- Entering opening balances for inventory items
- Updating warehouse data in the system

Inventory valuation methods. You can choose to use either the average cost or standard cost method of stock valuation throughout your system, and SAP Business One will automatically take care of all of the calculations and postings.

Batches. You can assign batches to products and classify them by shelf life or any other freely definable attributes – then define the batches for these products in sales orders, delivery notes, and inventory movements. A separate batch report is available for batch monitoring.

Serial numbers. You can assign serial numbers to products and then define them in sales orders, delivery notes, and inventory movements.

Location classes. Location classes allow for warehouses of similar characteristics to be grouped together for reporting purposes.

FINAL ASSEMBLY

Define BOM. You can define a multilevel BOM in this window. To do so, you define a main product – and all the raw materials that are required to produce it – with precise specifications for the quantities and warehouses involved.

Production instructions/work order. You can define production orders and simply convert them to work orders up to the final stage of finished products. When you create a work order, you can perform an instant quantity check to determine whether the current inventory levels are sufficient.

Open work orders. This report summarizes all work in progress and displays the corresponding work orders with just one click.

Production recommendations report. With this feature you can go in at any time during the production process to find out whether sufficient products – or at least the materials required for production – are in inventory.

Product BOMs. This feature enables you to display a detailed overview of all product BOMs at any level.

CONTROLLING

Create profit center. This function lets you define the different profit centers/departments at a company. You can allocate the corresponding revenue and cost accounts to a predefined profit center in the chart of accounts.

Create distribution rules. Based on defined costs and your own experience, you can define different distribution rules to characterize your business activities – then simply allocate a revenue or cost account to the corresponding distribution rule.

Table for profit centers and distribution rules. Through this function, the solution displays profit centers and distribution rules in table form. All figures are displayed clearly and can be adjusted as necessary. You can also define additional profit centers and distribution rules here. As soon as all cost factors have been defined, the system automatically allocates them to the individual cost centers in each transaction, giving you rapid access to detailed cost information.

Profit center report. This is the profit-and-loss statement for company management. You can run it for any profit center. It is based on revenues and costs – both direct and indirect – as defined in the allocation rules. You can choose between annual and monthly display format and compare the results with the previous year's figures.

REPORTING

The reporting module is one of the most important modules in SAP Business One, enabling you to execute all types of reports and initiate all necessary corrective actions immediately afterwards. It includes enterprise reports, accounting reports, inventory reports, financial reports, and reports to aid decision making. You can export any report to Microsoft Excel with a click of the mouse. Via the solution's simple data navigation, you can easily retrieve the exact data you need. This module helps you save valuable time while accessing new data and information.

The reporting module includes the following functions:

Open items. These reports enable management to quickly generate an overview of all open items in their areas, including unpaid invoices, open quotations, and pending orders. Integration with Microsoft Word helps you generate letters to the relevant customers.

Customer receivables or vendor payables by due date. You can use these reports to display all customer receivables or vendor payables, sorted for specific intervals. When you click on a customer line, a detailed report for that customer is displayed. A “hot link” with Microsoft Word lets you display the customer’s account balances with a single click, showing the status of the respective customer receivables.

Sales analysis. Through this function the solution lets you conduct a sales analysis from three perspectives: by customer, by item, and by salesperson. You can combine the perspectives with one another to achieve even further detail (for example, items sold by a certain salesperson, items purchased by a customer, and so on). The report automatically creates diagrams to display the data clearly. You can display information in any degree of detail – from the most general (such as sales by customer group) to the most specific (an invoice for a specific customer).

Cash flow. This report analyzes cash flow across all revenues and expenses, including checks, credit-card payments, recurring transactions, customer receivables, and so on. You can select from a number of different detail levels.

Query interface. This tool features a simple language for creating database queries and defining reports. You can use all the data from any field to create a detailed or summary report. Once you define a query, you can save it in the query library for future use – or use the report editor to refine and change existing queries.

Contact overview. This report enables you to sort all open contacts by date and with reference to the current day or week. You can complete current activities and contacts, and close activities and contacts that you have already completed.

Accounting reports. This menu item covers all important accounting reports, including:
- Account balances
- Account statements (groups together all postings by business partner or account)
- Tax report (accumulated tax liabilities in accordance with local legal requirements)
- EU sales list (groups together all sales to EU customers in accordance with local legal requirements)
- Document journal
- Posting journal
- Verification of document numbering (enables you to verify the sequence of the document numbers)

Company reports. This menu item covers all the important financial reports:
- Balance sheet
- Test report balance
- Profit-and-loss statement
- Profit center report

Warehouse reports. All important warehouse reports are predefined. They include:
- Item list
- List of inventory postings (groups all inventory postings together by business partner or item)
- Inventory situation (displays the warehouse inventories by item in stock, quantity ordered, and available quantity – and lets you click the mouse on an item line to execute an order report for the selected item)

- Warehouse balance report (displays all item stocks by warehouse as well as the total balance for each item)
- Warehouse inventory valuation (evaluates inventory on hand using one of these conventional methods: standard cost or moving average price; lets you display an overview of all items or display each individual item in detail; includes a special algorithm that ensures that negative item stocks are interpreted correctly)
- Product BOMs (displays an overview of all product BOMs at each requested level and with different degrees of detail)

Additional reports. This menu item contains all the other reports, such as:
- Last prices (displays a list of the prices last offered to a specific customer)
- Inactive customers (displays an overview of inactive customers in a defined period)
- Inactive items (displays an overview of inactive items in a defined period, which helps you reduce your warehousing costs)

SERVICE MANAGEMENT

This module optimizes the potential of your service departments, providing support for service operations, service contract management, service planning, tracking of customer interaction activities, customer support, and management of sales opportunities. The module includes:

Service call. This feature enables you to resolve customer questions and deal with item-related problems.

Customer equipment card. This card is the database that contains all the items for which service can be provided.

Service contract. A formal or legally binding agreement, the service contract enables a customer to receive service for items and serial numbers during a specified period of time. It contains information specifying the service for which a customer is eligible.

Knowledge base solution. This includes key solutions for resolving various problems and situations. It helps streamline service and speed up service representatives' performance. It also allows external sources to view questions and solutions regarding the organization's products.

Service reports. These enable you to view and analyze data related to service contracts, customer equipment, and service calls. You can check service calls made by individual sales representatives or those reported by certain customers. You can also use the reports to evaluate your efficiency and performance.

EMPLOYEE PROFILES

The employee profiles module provides staff-management capabilities, including employee details and contact information. The module includes:

Employee list. This list contains employment information such as branch, department, job title, position, manager, and personal details.

Absence report. This enables the reporting of lost workdays.

Phone book. The electronic phone book displays the contact details of each employee including his or her phone number, extension, mobile phone, pager, and fax.

www.sap.com/contactsap