

PART 1 OF ABOUT SAP ERP SOFTWARE

SAP Full Form SAP stands for Systems Applications and Products in Data Processing.

SAP is ERP software that helps run the day to day operations of an enterprise. SAP system offers real time visibility across the entire enterprise.

The original name for SAP was: Systems, Anwendungen, Produkte (In German).

SAP is a market leader in providing **ERP** (Enterprise Resource and Planning) solutions and services.

What is ERP?

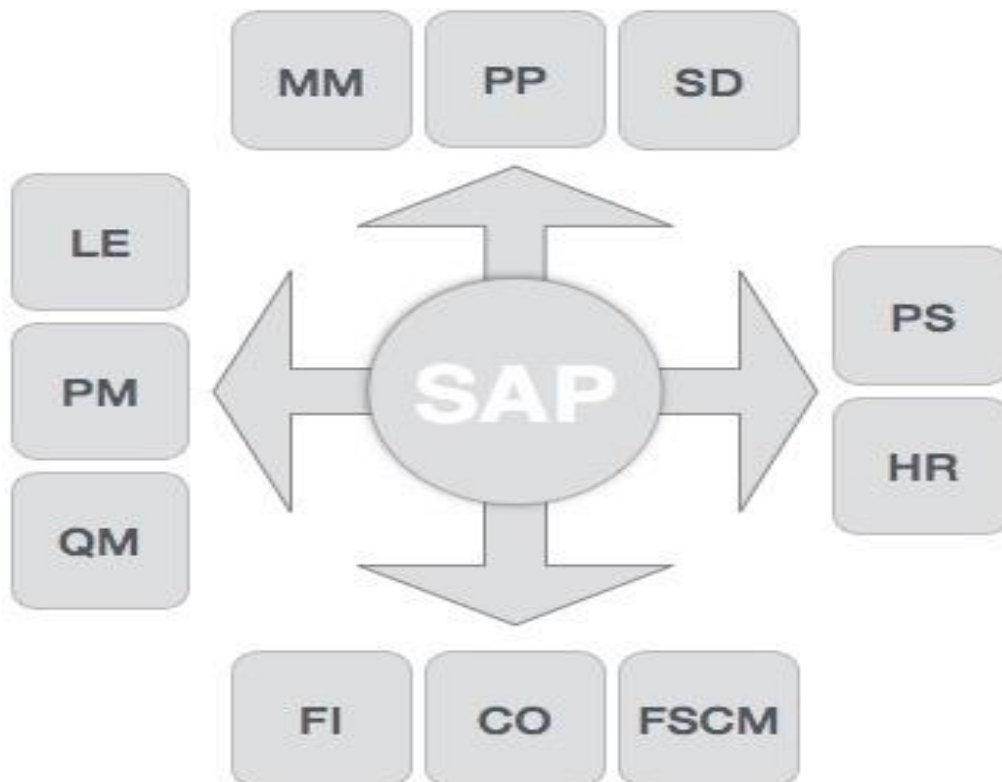
Enterprise Resource Planning (ERP) is software that is built to organizations belonging to different industrial sectors, regardless of their size and strength.

The ERP package is designed to support and integrate almost every functional area of a business process such as procurement of goods and services, sale and distribution, finance, accountings, human resource, manufacturing, production planning, logistics & warehouse management.

SAP solutions include a number of functional modules, which support transactions to execute key business processes, such as –

- Financial Accounting (FI)
- Financial Supply Chain Management (FSCM)
- Controlling (CO)
- Materials Management (MM)
- Sales and Distribution (SD)
- Logistics Execution (LE)
- Production Planning (PP)

- Quality Management (QM)
- Plant Maintenance (PM)
- Project System (PS)
- Human Resources (HR)



Finance and Controlling (FICO)

SAP FICO is a combination of two ERP modules, i.e., Finance Accounting (FI) and Controlling (CO). Under Finance in SAP and at an enterprise level, the following modules take part –

- FI – Finance
- CO – Controlling
- IM – Investment Management
- TR – Treasury
- EC – Enterprise Controlling

Activities Involved in SAP FI

- Creation of Organizational structure (Define company, company code, Functional Area, credit control, Assignment of company code to credit control)
- Financial Accounting Global settings (Maintenance of Fiscal year, Posting periods, Document types, posting keys, Number allotted to documents)
- General Ledger Accounting (Creation of Chart of Accounts, Account Groups, Creation of General Ledger Accounts)
- Tax Configuration (GST, VAT, TDS, TCS , Income Tax)
- Creation of Housing of Banks (including Bank Reconciliation Statement)
- Accounts Receivables (Creation of Customers, Groups, Term of Credit , One time customer, Creation of Debit Memo/Credit Memo, Age wise Outstanding Report)
- Accounts Payables (Creation of Vendors, Groups, Term of Credit for Purchase, One time Vendor , Creation of Payment Creation of Debit Memo/Credit Memo, Age wise Outstanding Report)
- Fixed Asset Accounting

Activities Involved in SAP CO

- Cost Centre Accounting
- Cost Element
- Product Cost Controlling (Computation of costs occur during the manufacture of a product /service)
- Profitability Analysis
- Profit Centre Accounting
- Profitability Analysis (Individual Market Segments)

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Will continue **PART 2 OF ABOUT SAP ERP SOFTWARE**