



Comment: Preserve the benefits of R/3 but do not be afraid to discover new things

How I Learned To Talk

Or: Old wood burns too. The title was inspired by one of E-3 Editor-in-Chief Peter Färbing's recent editorials in which he happily remarked that SAP is refocusing on the core of its success.

By Eckhard Moos, Kern

SAP follows the new-but-actually-old motto of offering a solution for integrated business processes. Of course, not even Mr. Färbing wants to revert to the primeval times of R/1, R/2, or R/3, but there is a lot of truth in what he is saying: Technology has taken tremendous leaps in recent years, the performance is breathtaking, and user frontends open up design opportunities for efficient usability. However, at its core, the issue remains the same: How do we interact with each other? How do we talk to each other?

For this interaction project, the famously gray-haired, tweed-wearing cost accountants used a model that sends a shiver down your spine just by its name kicking up dust flakes - Business Accounting Sheet.

Hold it, hold it, esteemed materials managers, logisticians, maintenance technicians, HR managers, salespeople, and process experts of all other provenances: Don't stop reading this article just yet, because your area of expertise comes into play in the very next image.

(1) Employees contribute their labor. (2) Suppliers deliver goods and services. (3) The workshop sends repair services. (4) Raw materials go from the warehouse to the production order. (5) The production cost center allocates machine services. (6) The production order is delivered. (7) Finished goods are picked up from the warehouse and (8) shipped to the custo-

mer. This goods issue is followed by (9) the outgoing invoice and finally (10) the receipt of payment.

The whole picture is ordered according to the pattern subject, verb, object. Each activity (meaning verb) between subject (meaning sender) and object (meaning receiver) can be refined. The drilldown visualizes the quantity flow followed by the value flow via general ledger (G/L) accounts.

The depths of SAP

I confess that, like Odysseus, I have to tie myself to the mast in order to not let the model drag me into the depths of moving average and standard price, price differences, distribution, apportionment, billing, tariff determination, service charging, invoicing, and so much more. I am tempted to speak of the outlined core method as the song of the sirens, who, as is well known, not only enchanted sailors with their beautiful voice (in our case: with the simplicity and clarity of the presentation). Above all, they beguiled with their ability to "know and reveal everything that happens on earth" - which here means that this model goes right down to the SAP depths of posting and offsetting entries, material management account determination and transaction types, business processes, customizing, tables, and programs.

Complexity vs. reduction

Too simple? Cold coffee? Old wood? But that's exactly the point: The technology is now very powerful. The amount of players involved has grown to an insane number, and their specialized skills take a layman's breath away. The organizational, accounting, cost accounting, logistical, management challenges are spectacularly complex. The intricacies and range of process and value chain is fascinating. This is precisely why the goal at each stage is to recreate the complex events in a more reduced, leaner way in order to get to the core.

With this in mind, I propose to consistently use the sentence building blocks of our spoken language - subject, verb, and object - as the syntax of a visual language for business and accounting processes. With this pattern of words and images, we can clearly and consistently speak, visualize, and model who does what and (then) interacts with whom.

The outlined image focuses on the flow of information between participants triggered by activities. This process dimension visualizes the interaction between subject and object, system and program. The second important dimension, namely the sequence of steps of the activities, i.e. the process flow, can be visualized in the same model. Consequently, the core method or-

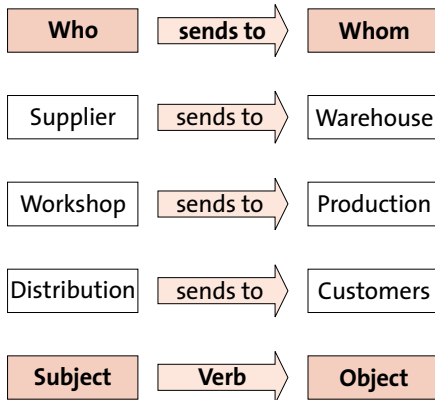
Activity	Module	HR	FI-AP	CO-CCA	MM	CO-CCA	PP	MM	SD	FI-AP	FI-TR
	Object Resource	Employee	Vendor	Workshop	Warehouse	Manufacturing	Order	Warehouse	Sales Order	Customer	Bank
1 Provide working time		→									
2 Goods receipt			→								
3 Activity allocation				→							
4 Goods issue for order					→						
5 Activity allocation						→					
6 Good receipt from order							→				
7 Pick								→			
8 Ship									→		
9 Billing										→	
10 Cash receipt											→

A chart for people in charge of logistics, inventory, maintenance, HR, sales, finance, and processes.

ganizes the events into two flow dimensions: Firstly, information flow with the information types price, quantity, value, and messages (for example texts); and secondly, process flows as step sequences of activities with required decisions (AND, OR, XOR) to perform the activities.

R/3 and S/4 world

Operational business processes can benefit greatly from this change of perspective. The wave of migrations from the R/3



How you can use the building blocks of our language as syntax for business and accounting processes.

Activity \ Element		Module	FI-AP		MM		FI-GL	
		Object	Vendor		Warehouse		Company Code	
		Resource			Raw material			
			D	C	D	C	D	C
Goods issue	Price	P	25 €/kg					
	Quantity	Q		15 kg → 15 kg				
	Trade payables	V		375 €	→		375 €	
	Inventory	V		375 €	→		375 €	

The process dimension visualizes the interaction between subject and object, system and program. The second dimension, the sequence of steps, can be visualized in the same model.

to the S/4 world, which has been steadily growing over time, opens up the same opportunity for this generation as was given to the „children“ of the R/3 wave in the 1990s: The opportunity to critically evaluate, properly understand, and sustainably redesign business processes.

We should make this crucial resource for productivity gains - know, order, understand, apply - available to the people of the new SAP generation to help them in migration endeavors. Moving from R/3 to S/4 is about more than the technical

parts of a migration; it's about understanding what you can do better in the future than you do today. A little change in perspective can go a long way: While this model is old news - after all, we've always thought and talked this way - old wood burns too, usually particularly well.

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